



Housing Authority of the City of Alameda

701 Atlantic Avenue - Alameda, California 94501-2161 - Tel: (510) 747-4300 - Fax: (510) 522-7848 - TDD: (510) 522-8467

SPECIAL MEETING OF THE BOARD OF COMMISSIONERS
OF THE ALAMEDA HOUSING AUTHORITY
TUESDAY - - - JANUARY 3, 2006 - - - 7:10 P.M.

Time: Tuesday, January 3, 2006, 7:10 p.m.

Place: **City Council Chambers Conference Room**, City Hall, Corner of Santa Clara and Oak Street

Agenda:

1. Roll Call.
2. Public Comment on Agenda Items Only.

Anyone wishing to address the Council on agenda items only, may speak for a maximum of 3 minutes per item.

3. Adjournment to Closed Session to consider:
 - 3-A. Conference with Real Property Negotiator (Govt. C. Sect. 54956.8).

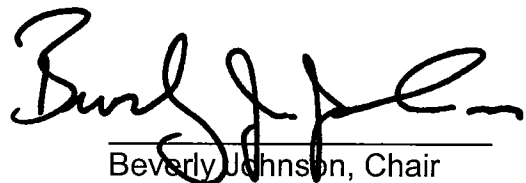
Property: 1450 Broadway

Negotiating Parties: Housing Authority Executive Director and Dr. Gousius

Under Negotiation: Price and terms

4. Announcement of Action Taken in Closed Session, if any.

ADJOURNMENT



Beverly Johnson, Chair



Housing Authority of the City of Alameda

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IF YOU WISH TO ADDRESS THE BOARD:

1. Please file a speaker's slip with the Executive Director, and upon recognition by the Chair, approach the rostrum and state your name; speakers are limited to 3 minutes per item.
2. Lengthy testimony should be submitted in writing and only a summary of pertinent points presented verbally.
3. Applause and demonstrations are prohibited during Board of Commissioners meetings.

AGENDA

REGULAR MEETING OF THE BOARD OF COMMISSIONERS

DATE & TIME

Tuesday, January 3, 2006, 7:25 PM

LOCATION

City Hall, Council Chambers, Room 390, 2263 Santa Clara Ave., Alameda, CA

Welcome to the Board of Commissioners of the Housing Authority of the City of Alameda meeting. Regular Board of Commissioners meetings are held on the first Tuesday of each quarter in the Council Chambers at City Hall.

Public Participation

Anyone wishing to address the Board on agenda items or business introduced by Commissioners may speak for a maximum of three minutes per agenda item when the subject is before the Board. Please file a speaker's slip with the Housing Authority Executive Director if you wish to address the Board of Commissioners.

PLEDGE OF ALLEGIANCE

1. **ROLL CALL** - Board of Commissioners
2. **CONSENT CALENDAR**
 - Consent Calendar items are considered routine and will be approved or accepted by one motion unless a request for removal for discussion or explanation is received from the Board of Commissioners or a member of the public.
- 2-A. Minutes of the Special Board of Commissioner meeting held August 2, 2005. Acceptance is recommended.

- 2-B. Budget Revision for the Fiscal Year FY2006. The Housing Commission and Chief Executive Officer recommend the Board of Commissioners:
1. To adopt the proposed budget revision for FY2006; and
 2. To approve the resolution amending the budget for Esperanza.
- 2-C. Award of Contract for Playground Rehabilitation at Parrot Village and Eagle Village to Kids Play. The Housing Commission and Chief Executive Officer recommend the Board of Commissioners:
1. Approve a contract with Kids Play to rehabilitate the playgrounds at Eagle Village and Parrot Village for \$139,677.38, allowing up to \$13,322.60 in change orders, for a total not to exceed \$153,000 for both projects; and
 2. Authorize the Executive Director to execute the contract.
- 2-D. Approve Award of Contract for Kitchen and Bath Cabinets and Countertops to Lowest Bidder. The Housing Commission and Chief Executive Officer recommend the Board of Commissioners:
1. Approve awarding a contract to Bay Cities for an amount not to exceed \$321,700, which includes up to 10 percent for change orders at Esperanza and 5 percent for change orders at Parrot Village and Eagle Village to replace kitchen and bath cabinets and countertops at these three complexes; and
 2. Authorize the Executive Director to execute the contract.
- 2-E. Audit Report for Fiscal Year Ending June 30, 2005. The Housing Commission and Chief Executive Officer recommend the Board of Commissioners accept the audit report for the year ending June 30, 2005.

3. AGENDA

- 3-A. Resolving to Revise the Rules and Procedures of the Housing Authority to Include Provisions for the Tenant Commissioner. Resolve to revise the Rules and Procedures of the Housing Authority to provide for the qualifications, appointment, term, and duties of the Tenant Commissioner.

4. ORAL COMMUNICATIONS, Non-Agenda (Public Comment)

5. COMMISSIONER COMMUNICATIONS, (Communications from the Commissioners)

6. ADJOURNMENT

* * *

Note:

- * Sign language interpreters will be available on request. Please contact Carol Weaver, Secretary, at 747-4325 voice or 522-8467 TDD at least 72 hours before the meeting to request an interpreter.

Dedicated to Excellence, Committed to Service.

- * Accessible seating for persons with disabilities (including those using wheelchairs) is available.
- * Minutes of the meeting are available in large print.
- * Audiotapes of the meeting are available on request.
- * Please contact Carol Weaver at 747-4325 voice or 522-8467 TDD at least 72 hours prior to the meeting to request agenda materials in an alternative format, or any other reasonable accommodation that may be necessary to participate in and enjoy the benefits of the meeting.



CITY OF ALAMEDA • CALIFORNIA

IF YOU WISH TO ADDRESS THE COUNCIL:

1. Please file a speaker's slip with the Deputy City Clerk and upon recognition by the Mayor, approach the podium and state your name; speakers are limited to three (3) minutes per item.
2. Lengthy testimony should be submitted in writing and only a summary of pertinent points presented verbally.
3. Applause and demonstration are prohibited during Council meetings.

AGENDA - - - - - REGULAR MEETING OF THE CITY COUNCIL
TUESDAY - - - - JANUARY 3, 2006 - - - - 7:30 P.M.

[Note: Regular Council Meeting convenes at 7:30 p.m., **City Hall, Council Chambers, corner of Santa Clara Ave and Oak St.**]

The Order of Business for City Council Meeting is as follows:

1. Roll Call
2. Agenda Changes
3. Proclamations, Special Orders of the Day and Announcements
4. Consent Calendar
5. Agenda Items
6. Oral Communications, Non-Agenda (Public Comment)
7. Council Communications (Communications from Council)
8. Adjournment

Public Participation

Anyone wishing to address the Council on agenda items or business introduced by Councilmembers may speak for a maximum of 3 minutes per agenda item when the subject is before Council. Please file a speaker's slip with the Deputy City Clerk if you wish to address the City Council.

SPECIAL MEETING OF THE HOUSING AUTHORITY BOARD 7:10 A.M.
OF COMMISSIONERS, CITY COUNCIL CHAMBERS CONFERENCE ROOM
Separate Agenda (CLOSED SESSION)

REGULAR MEETING OF THE HOUSING AUTHORITY BOARD 7:25 P.M.
OF COMMISSIONERS, CITY COUNCIL CHAMBERS
Separate Agenda

1. ROLL CALL - City Council
2. AGENDA CHANGES
3. PROCLAMATIONS, SPECIAL ORDERS OF THE DAY AND ANNOUNCEMENTS
- 3-A. Proclamation declaring January as Volunteer Blood Donor Month.
- 3-B. Library project update.
4. CONSENT CALENDAR

Consent Calendar items are considered routine and will be enacted, approved or adopted by one motion unless a request for removal for discussion or explanation is received from the Council or a member of the public.

- 4-A. Minutes of the Special and Regular City Council Meetings held on December 20, 2005. (City Clerk)
- 4-B. Bills for ratification. (Finance)
- 4-C. Recommendation to accept the work of Golden Bay Construction, Inc. for the Webster Street Renaissance Project, No. P.W. 07-02-07. (Public Works)
- 4-D. Recommendation to approve an increase for the Construction Contract with Ghilotti Brothers, Inc. by the amount of \$45,000 using Alameda Power & Telecom funds for the Park Street Streetscape and Town Center project, No. P.W. 10-02-13. (Public Works)

5. REGULAR AGENDA ITEMS

- 5-A. Adoption of Resolution Commending Community Development Manager Carol Beaver for Her Contributions to the City of Alameda.
- 5-B. Public Hearing to consider Amendment No. 1 to Fiscal Year 2005-2006 Community Development Block Grant (CDBG) Action Plan, approving reallocation of funds, and authorizing the City Manager to execute related agreements with sub-grantees. (Development Services)

6. ORAL COMMUNICATIONS, NON-AGENDA (Public Comment)

Any person may address the Council in regard to any matter over which the Council has jurisdiction or of which it may take cognizance, that is not on the agenda.

7. COUNCIL COMMUNICATIONS (Communications from Council)

7-A. Consideration of Mayor's nominations for appointment to the Recreation and Park Commission and Social Services Human Relations Board.

8. ADJOURNMENT

- For use in preparing the Official Record, speakers reading a written statement are invited to submit a copy to the City Clerk at the meeting or e-mail to: lweisige@ci.alameda.ca.us
- Sign language interpreters will be available on request. Please contact the City Clerk at 747-4800 or TDD number 522-7538 at least 72 hours prior to the Meeting to request an interpreter.
- Equipment for the hearing impaired is available for public use. For assistance, please contact the City Clerk at 747-4800 or TDD number 522-7538 either prior to, or at, the Council Meeting.
- Accessible seating for persons with disabilities, including those using wheelchairs, is available.
- Minutes of the meeting available in enlarged print.
- Audio Tapes of the meeting are available upon request.
- Please contact the City Clerk at 747-4800 or TDD number 522-7538 at least 48 hours prior to the meeting to request agenda materials in an alternative format, or any other reasonable accommodation that may be necessary to participate in and enjoy the benefits of the meeting.



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MINUTES

SPECIAL MEETING OF THE BOARD OF COMMISSIONERS OF THE HOUSING AUTHORITY OF THE CITY OF ALAMEDA HELD TUESDAY, AUGUST 2, 2005

The Board of Commissioners was called to order at 7:54 p.m.

PLEDGE OF ALLEGIANCE

1. ROLL CALL

Present: Commisisoners Daysog, Gilmore, deHaan, Matarrese, Torrey and Chair Johnson

Absent: None.

2. CONSENT CALENDAR

Commissioner Matarrese moved acceptance of the Consent Calendar. Commissioner Gilmore seconded. Motion carried unanimously. Items accepted or adopted are indicated by an asterisk.

*2-A. Minutes of the Regular Board of Commissioner meeting held July 5, 2005. Minutes were accepted.

2-B. Proclaiming Housing Choice Voucher Rental Property Owners of the Year 2004. Commissioner Matarrese moved to recommend that the Mayor proclaim:

- Brad Kruck, owner of a unit at 1604 Sherman Street, 2004 Housing Choice Voucher Program Rental Property Owner of the Year for three or fewer units.
- Irene Hanson, owner of units on 2249 Central Avenue, 2004 Housing Choice Voucher Program Rental Property Owner of the Year for four or more units.

Commissioner Gilmore seconded. Motion carried unanimously. Commissioner Torrey congratulated the two winners, the Commissioners and Housing Authority Staff.

3. AGENDA

3-A. Awarding Budget and Awarding of Contract for Roof Replacement. Commissioner deHaan moved to recommend that the Board of Commissioners:

**Minutes 2-A
1-3-06**

1. Increase the Extraordinary Maintenance Projects line item of the FY2006 budget by \$27,500 to cover the cost of the proposed contract;
2. Award a contract to MNJ Roofing to replace roofs at Eagle and Parrot Villages for \$155,000, plus an additional 10 percent of that amount for any needed change orders, for an amount not to exceed \$170,500; and
3. Authorize the Executive Director to execute the contract.

Commissioner Torrey seconded. Motion carried unanimously.

4. ORAL COMMUNICATIONS.

None.

5. COMMISSIONER COMMUNICATIONS.

None.

6. ADJOURNMENT

There being no further business, Chair Johnson adjourned the meeting at 8:02 p.m.

Attest:

Beverly Johnson, Chair

Michael T. Pucci
Executive Director / Secretary



Housing Authority of the City of Alameda

701 Atlantic Avenue - Alameda, California 94501-2161 - Tel: (510) 747-4300 - Fax: (510)522-7848 - TDD: (510) 522-8467

Date: December 22, 2005

To: Honorable Chair and Members
of the Board of Commissioners

From: Debra Kurita
Chief Executive Officer

RE: Budget Revision for the Fiscal Year FY2006

Background:

On April 6, 2004, the Board of Commissioners approved the Housing Authority's budget for the two fiscal years from July 1, 2004 to June 30, 2006. Federal funding cuts had a severe negative impact on the fiscal year 2005 budget. In July 2004, therefore, a budget revision was proposed and passed to reflect the changing Federal funding circumstances and its influence on the Housing Authority's fiscal operations.

On April 5, 2005, the Board of Commissioners approved the final budget revision for the fiscal year ending June 30, 2005. On July 5, 2005, the Board of Commissioners approved the current operating budget for fiscal year ending June 30, 2006.

Discussion:

The Housing Authority's budget is consolidated into six funds. Exhibit A is the proposed revised budget number 2 for the period of July 1 to June 30, 2006. This proposed FY 2006 revised budget totals \$28,033,015 in revenues and \$27,801,846 in expenses.

Several changes have taken place since the approval of the fiscal year 2006 budget back in July 2005. The Housing Authority has completed its bond refinancing and we now have better information regarding several Extraordinary Maintenance Projects (EMP) and some additional operating items affecting maintenance budget line items. We have also received additional information regarding HUD's operating fund subsidies, and fiscal changes resulting from Parrot Village's transition from project based funding to tenant based assistance.

EMP Projects:

Several changes to the (EMP) Schedule are recommended for the current fiscal year. At Esperanza, Parrot Village and Eagle Village bids were received for the kitchen and bath cabinet and countertop replacement project. A contract is being recommended in a separate report. Staff recommends increasing the budget for Esperanza from \$144,540 to \$154,100, though 10 percent of that amount is for contingencies (e.g., removing asbestos when necessary), and may not be spent. Rebuilding the utility

Report 2-B

1-3-06

closets was a project included in last year's budget. This project was not quite completed before July 1, 2005; therefore, \$3,772 needs to be added to the budget to cover this final expense. Additional ADA parking is needed at Esperanza so we have added \$4,500 to complete this item. There are adequate reserves to cover these costs.

Most of the EMPs scheduled for this fiscal year are at Eagle Village and Parrot Village, and the cost of these projects are covered by the proceeds from the bond refinancing. Several of these projects have been completed under budget, such as replacing the furnaces at both complexes, replacing the exterior light fixtures at Eagle Village, and resealing the parking lots and basketball courts at Parrot Village. As mentioned above, the bids for replacing cabinets and countertops came in somewhat higher than anticipated. Staff recommends increasing the budget for the Eagle Village cabinet project from \$65,600 to \$71,820 and for Parrot Village from \$97,200 to \$118,860. These amounts cover a 5 percent contingency which may not be spent. The contract for resurfacing the playgrounds and replacing play equipment at Eagle Village and Parrot Village also are slightly higher than anticipated. Staff recommends increasing the budget for Eagle Village from \$35,000 to \$39,000 and for Parrot Village from \$90,000 to \$114,000. A slight increase in the parking lot/basketball court project at Eagle Village resulted from an electrical repair to outside wiring that had to be made. The increased cost was \$2,000 to this project (EV3-06). The sidewalk repairs at Parrot Village were far more extensive than originally anticipated as well and a budget increase from \$3,525 to \$21,887 is recommended. The overall increase in the cost of all EMPs for Parrot Village and Eagle Village is \$18,392 and will be covered with the proceeds from the bond refinancing.

One additional project for Stanford is recommended for inclusion to the budget. This apartment building experienced several water leaks in the basement laundry area. Upon investigation, several leaking water pipes were discovered. The damage and poor condition of the pipes in general led to the removal of all the sheetrock in the basement. All the leaks have been repaired and the sheetrock replaced. In order to meet the building code, a furnace also had to be relocated. In the midst of obtaining bids for this emergency project an exterior stair landing started to fail. Because of the safety hazard a repair was needed immediately. These repairs, authorized by the Executive Director, should be completed by the time this budget revision is presented to the Housing Commission. The total cost is expected to be no more than \$36,000. Exhibit B shows all of these changes.

There are also other budget revisions to operating line items affecting maintenance contract costs. The tree trimming budget needs to be increased by \$15,700 to cover all current cost estimates necessary for the fiscal year. The needs assessment contract was budgeted for \$50,600 and our current estimates are at \$35,000, a savings of \$15,600 from the approved budget. However, temporary labor cost are projected to go \$20,000 over original estimates due to higher than anticipated vacancy turnovers.

Last July, the Housing Authority converted from project based assistance for Parrot Village to tenant based assistance. While the conversion has been otherwise successful, the budget projection for housing assistance income from this conversion is now expected to be \$120,000 less due to higher than anticipated vacancies and the

lack of comparable forecasting models available at the time of the last budget. Therefore, staff recommends that the Parrot Village and Eagle Village fund reduce the revenue projections associated with this new tenant based housing assistance for Parrot Village by \$120,000. Revenues should increase to close to what was originally projected once turnover is reduced and the units are fully leased.

HUD has changed its procedure for requesting operating subsidy for Esperanza. HUD is transitioning from a fiscal year budget process to a calendar year system; therefore, a reduction in Esperanza's operating subsidy of \$7,165 is requested to reflect required implementation of this new federal procedure.

Management is also requesting that the pre-development cost be increased from \$20,000 to \$50,000 to conduct studies for various proposed development projects. With our improved financial position, we are restoring the practice of sending calendars to all our clients, which adds \$3,900 to the budget. Furthermore, recent information received from our workers compensation group advises that our premium adjustment for 2003 will be an additional \$32,340; this cost is added to the employee benefits budget lines in those appropriate funds. This will be offset in fiscal year 2006-07 with comparable premium reductions. The Housing Commission had the opportunity to review this recommendation at its meeting on December 21 and voted unanimously to recommend adoption.

Fiscal Impact:

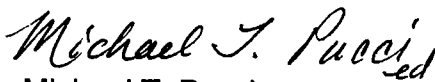
The previously approved budget for fiscal year 2006 showed a surplus of \$430,167 while the current proposed budget revision shows a surplus of \$231,169. Operating surpluses add to the Housing Authority's accumulated operating reserve. Operating losses (or deficits) for General Fund and Esperanza are funded from operating reserves and are; therefore, a reduction to accumulated operating reserves while the deficit for Independence Plaza will be funded from replacement reserves.

Recommendation:

The Housing Commission and Chief Executive Officer recommend to the Board of Commissioners:

1. To adopt the proposed budget revision for FY2006; and
2. To approve the resolution amending the budget for Esperanza.

Respectfully submitted,


Michael T. Pucci
Executive Director

MTP: AJO

Attachments Proposed Budget Revision
 EMP Schedule
 Resolution

Housing Authority of the City of Alameda
Budget - Revision Number 2
For the Fiscal Year Ending June 30, 2006

Exhibit A

Budget Line Items	General Fund		Esperanza		Parrot & Eagle Village		HA Owned		Independence Plaza		Section 8 Voucher		Total All Programs	
	Approved Rev #1 2006	Proposed 2006	Approved Rev #1 2006	Proposed 2006	Approved Rev #1 2006	Proposed 2006	Approved Rev #1 2006	Proposed 2006	Approved Rev #1 2006	Proposed 2006	Approved Rev #1 2006	Proposed 2006	Approved Rev #1 2006	Proposed 2006
OPERATING INCOME:														
HAP/Operating Subsidy	416,148	416,148	128,637	121,481	1,200,408	1,080,408	1,016,676	728,472	489,342	489,342	18,945,576	18,945,576	22,196,787	22,069,631
Rents	0	0	571,440	571,440	445,404	445,404	728,472	728,472	1,209,096	1,209,096	0	0	2,954,412	2,954,412
Administrative Fees	36,154	36,154	0	0	0	0	0	0	0	0	1,473,191	1,473,191	1,509,345	1,509,345
PV & EV Bond Funds	0	0	15,080	15,080	1,001,345	1,047,237	3,150	3,150	22,800	22,800	4,700	4,700	1,047,075	1,128,967
Interest	0	0	3,220	3,220	330	330	11,980	11,980	1,400	1,400	0	0	20,930	20,930
Other Income	13,000	13,000	259,820	259,820	7,680	7,680	40,380	40,380	21,330	21,330	7,520	7,520	349,730	349,730
TOTAL INCOME	469,302	469,302	978,197	971,041	2,655,167	2,581,059	1,800,658	1,836,658	1,743,968	1,743,968	20,430,987	20,430,987	28,078,279	28,033,015
OPERATING EXPENSES:														
ADMINISTRATIVE:														
Total Admin. Salaries	31,726	31,726	123,987	123,987	145,701	145,701	191,755	191,755	172,678	172,678	865,184	865,184	1,531,031	1,531,030
Legal	0	0	6,180	6,180	4,080	4,080	12,770	12,770	7,460	7,460	11,030	11,030	41,520	41,520
Sundry	0	0	48,291	48,291	45,458	46,047	104,848	104,848	57,840	57,840	123,713	123,713	380,150	384,050
TOTAL	31,726	31,726	178,458	179,023	195,239	195,828	309,373	310,305	237,978	237,978	999,927	1,001,003	1,952,701	1,956,600
TENANT SERVICES														
Salaries	0	0	16,155	16,155	5,520	5,520	20,214	20,214	19,305	19,305	0	0	61,194	61,194
Tenant Activities	0	0	32,150	32,150	100	100	100	100	100	100	100	100	32,550	32,550
TOTAL	0	0	48,305	48,305	5,620	5,620	20,314	20,314	19,405	19,405	100	100	93,744	93,744
UTILITIES:														
Water & Sewer	0	0	96,150	96,150	71,595	71,595	76,450	76,450	57,380	57,380	350	350	301,925	301,925
Electricity	0	0	14,130	14,130	14,280	14,280	40,030	40,030	40,200	40,200	7,320	7,320	115,960	115,960
Gas	0	0	2,370	2,370	489	489	29,870	29,870	17,330	17,330	430	430	50,489	50,489
TOTAL	0	0	112,650	112,650	86,364	86,364	146,350	146,350	114,910	114,910	810	810	468,374	468,374
MAINTENANCE:														
Salaries	3,641	3,641	136,229	136,229	256,745	256,745	233,409	233,409	180,426	180,426	2,816	2,816	813,266	813,265
Materials	0	0	32,750	32,750	37,210	37,210	40,140	40,140	39,600	39,600	4,260	4,260	153,960	153,960
Contract Costs	0	0	246,915	246,915	216,065	216,065	304,656	310,416	201,718	201,718	15,720	15,720	985,074	1,005,174
TOTAL	3,641	3,641	415,894	418,894	510,020	520,860	578,205	583,965	421,744	422,244	22,796	22,796	1,952,300	1,972,400
GENERAL:														
Police Services	0	0	71,060	71,060	41,420	41,420	55,670	55,670	2,850	2,850	19,000	19,000	190,000	190,000
Insurance	2,459	2,459	15,688	15,688	44,587	44,587	16,228	16,228	60,578	60,578	7,059	7,059	146,599	146,598
Claims Account	15,450	15,450	0	0	0	0	0	0	0	0	0	0	15,450	15,450
Employee Benefits	10,875	10,875	84,984	84,984	125,449	125,449	136,954	136,954	114,516	114,516	266,910	266,910	739,688	739,688
Collection Losses	0	0	11,750	11,750	13,600	13,600	2,650	2,650	400	400	0	0	28,400	28,400
TOTAL	28,784	28,784	183,482	183,482	225,056	225,056	211,502	211,502	178,344	178,344	292,969	292,969	1,120,137	1,120,136
TOTAL OPER. EXPENSES	64,151	64,151	938,789	942,354	1,022,299	1,033,728	1,265,744	1,272,435	972,381	973,619	1,323,892	1,324,968	5,587,256	5,611,254
MORTGAGE/HAP/RESERVES														
HAP	416,148	416,148	0	0	0	0	0	0	0	0	18,945,576	18,945,576	19,361,724	19,361,724
Mortgage	0	0	0	0	404,531	404,531	57,639	57,639	680,460	680,460	0	0	1,142,630	1,142,630
Replacement Reserve(Equip.)	1,200	1,200	2,200	2,200	0	0	5,600	5,600	5,000	5,000	0	0	14,000	14,000
Replacement Reserve(Bd.)	10,000	10,000	0	0	32,196	32,196	61,973	61,973	49,020	49,020	0	0	153,189	153,189
TOTAL	427,348	427,348	2,200	2,200	436,727	436,727	125,212	125,212	734,480	734,480	18,945,576	18,945,576	20,671,543	20,671,543
CAPITAL EXPENSES:														
Replacement Equipment	0	0	0	0	0	0	0	0	0	0	4,000	4,000	4,000	4,000
Additions	0	0	0	0	0	0	3,795	3,795	7,205	7,205	0	0	11,000	11,000
TOTAL	0	0	0	0	0	0	3,795	3,795	7,205	7,205	4,000	4,000	15,000	15,000
OTHER EXPENSES:														
Extraordinary Maint.	0	0	182,540	200,382	982,475	1,028,367	0	36,000	189,300	189,300	0	0	1,354,315	1,454,049
Pre-development/Admin costs	20,000	50,000	0	0	0	0	0	0	0	0	0	0	20,000	50,000
TOTAL	20,000	50,000	182,540	200,382	982,475	1,028,367	0	36,000	189,300	189,300	0	0	1,374,315	1,504,049
TOTAL EXPENSES	511,499	541,499	1,123,529	1,144,936	2,441,501	2,498,822	1,394,751	1,437,442	1,903,366	1,904,604	20,273,468	20,274,544	27,648,114	27,801,846
TRANSFERS (IN)/OUT	(42,197)	(72,197)	(145,332)	(173,895)	213,666	82,237	405,907	399,216	(159,398)	(160,636)	157,519	156,443	430,165	231,169

SCHEDULE OF EXTRAORDINARY MAINTENANCE PROJECTS FOR FY2006
REV. #1 APPROVED AND PROPOSED REV. #2

		APPROVED EMP BUDGET	PROPOSED REVISION
ESPERANZA			
	Unchanged projects	38,000	38,000
ESP2-06	Replace kitchen and bath cabinets, replace countertops (and sinks as needed) in 15 units	144,540	154,110
ESP6-06	Complete rebuilding of utility closets	-	3,772
ESP7-06	Additional ADA Parking Space	-	4,500
TOTAL		\$ 182,540	\$ 200,382
EAGLE VILLAGE AND PARROT VILLAGE			
	Unchanged projects	425,500	425,500
EV1-06*	Replace central forced-air furnaces in 38 units	53,200	43,400
EV2-06*	Replace playground equipment (1 area)	35,000	39,000
EV3-06*	Repair/seal parking lots and basketball courts	53,000	55,000
EV8-06*	Install new parking lot lights	35,000	17,000
EV9-06*	Replace kitchen/bath cabinets and countertops (8)	65,600	71,820
PV1-06*	Replace playground equipment (5 areas)	90,000	114,000
PV3-06*	Replace furnaces all remaining units (37)	86,950	59,200
PV4-06*	Replace kitchen/bath cabinets and countertops (12)	97,200	118,860
PV7-06*	Repair walkways	3,525	21,887
PV8-06*	Repair/seal parking lots and basketball courts	65,000	62,700
TOTAL * Cost covered by refinancing.		\$ 1,009,975	\$ 1,028,367
HOUSING AUTHORITY-OWNED			
SH1-06	Rehabilitate basement laundry room and stair landing to unit	-	36,000
TOTAL		\$ -	\$ 36,000
INDEPENDENCE PLAZA			
	Unchanged projects	\$ 189,300	\$ 189,300
TOTAL		\$ 189,300	\$ 189,300
GRAND TOTAL		\$ 1,381,815	\$ 1,454,049

PHA/IHA Board Resolution

Approving Operating Budget or Calculation of
Performance Funding System Operating Subsidy

U.S. Department of Housing
and Urban Development
Office of Public and Indian Housing

OMB Approval No. 2577-0026 (Exp. 9/30/2006)

Public reporting burden for this collection of information is estimated to average 15 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless that collection displays a valid OMB control number.

This information is required by Section 6(c)(4) of the U.S. Housing Act of 1937. The information is the operating budget for the low-income housing program and provides a summary of proposed/budgeted receipts and expenditures, approval of budgeted receipts and expenditures, and justification of certain specified amounts. HUD reviews the information to determine if the operating plan adopted by the PHA and the amounts are reasonable and that the PHA is in compliance with procedures prescribed by HUD. Responses are required to obtain benefits. This information does not lend itself to confidentiality.

Acting on behalf of the Board of Commissioners of the below-named Public Housing Agency (PHA)/Indian Housing Authority (IHA), as its Chairman, I make the following certifications and agreements to the Department of Housing and Urban Development (HUD) regarding the Board's approval of (check one or more as applicable):

(date)

- ☐ Operating Budget Submitted on: _____
- ☒ Operating Budget Revision Submitted on: January 3, 2006
- ☐ Calculation of Performance Funding System Submitted on: _____
- ☐ Revised Calculation of Performance Funding System Submitted on: _____

I certify on behalf of the: (PHA/IHA Name) Housing Authority of the City of Alameda
that:

1. All regulatory and statutory requirements have been met;
2. The PHA has sufficient operating reserves to meet the working capital needs of its developments;
3. Proposed budget expenditures are necessary in the efficient and economical operation of the housing for the purpose of serving low-income residents;
4. The budget indicates a source of funds adequate to cover all proposed expenditures;
5. The calculation of eligibility for Federal funding is in accordance with the provisions of the regulations;
6. All proposed rental charges and expenditures will be consistent with provisions of law;
7. The PHA/IHA will comply with the wage rate requirements under 24 CFR 968.110(e) and (f) or 24 CFR 905.120(c) and (d);
8. The PHA/IHA will comply with the requirements for access to records and audits under 24 CFR 968.110(i) or 24 CFR 905.120(g); and
9. The PHA/IHA will comply with the requirements for the reexamination of family income and composition under 24 CFR 960.209, 990.115 and 905.315.

I hereby certify that all the information stated within, as well as any information provided in the accompaniment herewith, is true and accurate.

Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

Board Chairman's Name (type)	Signature	Date
Beverly Johnson, Chair		



Housing Authority of the City of Alameda

701 Atlantic Avenue - Alameda, California 94501-2161 - Tel: (510) 747-4300 - Fax: (510)522-7848 - TDD: (510) 522-8467

Date: December 22, 2005

To: Honorable Chair and Members
Of the Board of Commissioners

From: Debra Kurita
Chief Executive Officer

Re: Award of Contract for Playground Rehabilitation at Parrot Village and Eagle
Village to Kids Play

Background:

The Housing Authority's budget includes two extraordinary maintenance projects – EV2-06 to replace the playground equipment at Eagle Village (\$35,000) and PV1-06 to replace the playground equipment at Parrot Village (\$90,000). Eagle Village has one playground area and Parrot Village has five small playground areas.

The Housing Authority determined that an RFP should be issued to obtain a contractor who would both advise what type of playground equipment to purchase for these two sites and install it. An RFP to replace the playground equipment at both sites was issued on July 5, 2005. The deadline for receipt of proposals was three weeks later on July 26, 2005. No proposals were received. After contacting several vendors and taking their comments into consideration, several changes were made to the RFP which was issued again on August 16, 2005. The deadline for receipt of proposals was again three weeks later on September 8, 2005. During this three week period, Housing Authority staff called and encouraged them to participate. In spite of these efforts, again, no proposals were received.

Based on these two efforts to obtain competitive proposals, the Housing Authority directly negotiated with playground vendors to complete these projects, as allowed under the Authority's Procurement Policy and Procedures, when no bids are received. The Housing Authority's attorney advised that there was sufficient reason to forego another RFP solicitation.

Discussion:

The Housing Authority entered into negotiations with three companies to obtain proposals that would still be competitive in nature. One company submitted a proposal; however, it left several questions unanswered. Several calls made to the company were not returned. As such, this proposal was not considered further.

**Report 2-C
1-3-06**

Simultaneous negotiations continued with the other two companies, Playgrounds by Design and Kids Play. The results are difficult to compare because of the different approach recommended by each company. The specifications call for a 4" concrete base reinforced with rebar. The playground equipment (one area at Eagle Village and five small areas at Parrot Village) then would be installed and a poured in place rubber playground surface would be added.

Playgrounds by Design bid the project but recommended no playground equipment be installed in courts 1 and 2 at Parrot Village. Later this company changed its proposal to include reusing the equipment in court 1. This company believes that court 2 is too small for playground equipment. This company's proposed cost is \$203,957. The majority of the cost is in site demolition and preparation. Staff requested that the contractor submit an alternate that would still meet the Consumer Product Safety Commission's (CPSC) Guidelines and ASTM F1292-99 Test Criteria. This company submitted an alternate proposal that would eliminate the concrete base and replace it with aggregate. This revised proposal reduced the cost to \$138,173. Though it may meet CPSC guidelines, the Housing Authority has experienced problems with this approach at Esperanza. After less than seven years, the surface at this site has started to develop bumps and depressions that will likely make replacement necessary in the near future. This was the reason the RFP specified a concrete base. Based on the fact that no playground equipment was recommended for court 2 at Parrot Village and the site preparation method was either too expensive or not a desired approach, negotiations ceased with this company.

Kids Play submitted a proposal for the project omitting the rebar from the project, reusing the existing play equipment in court 1 at Parrot Village, and providing new equipment for court 2. This company's proposed cost is \$139,497.38. The Kids Play proposal includes equipment for all play areas at Parrot Village. It also includes a concrete base for the playground surfacing material, without rebar, but including a wire mesh for added strength. The Kids Play proposal would provide play equipment at all sites and a surface preparation with a cost that is lower (\$64,280) than the alternative with a concrete base with rebar and only slightly more (\$1,503) than the alternative with only an aggregate base. The Kids Play proposal appears to be better than the alternative proposal submitted by Playgrounds by Design.

Kids Play has submitted proof that it can meet the Housing Authority's insurance requirements and the company's references are good. The Housing Commission considered this recommendation at its meeting on December 21, 2005, and approved recommending award of this contract. Due to its length, the contract is on file in the City Clerk's Office and Housing Authority administrative office.

Fiscal Impact:

The budget includes \$35,000 for Eagle Village and \$90,000 for Parrot Village for this project. Kids Play's contract, if awarded, would be broken down between the two sites. The Eagle Village portion would be \$35,924.81; and, with a 10 percent contingency, the total would be \$39,000. A \$4,000 budget increase is recommended in a separate report. The Parrot Village portion of the contract would be \$103,752.57; and with a 10

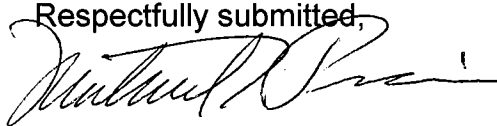
percent contingency, the total would be \$114,000. A \$24,000 budget increase is recommended in a separate report. The full cost of this contract, including contingency, would be covered by the proceeds of the refinancing of these two complexes.

Recommendation:

The Housing Commission and Chief Executive Officer recommend the Board of Commissioners:

1. Approve a contract with Kids Play to rehabilitate the playgrounds at Eagle Village and Parrot Village for \$139,677.38, allowing up to \$13,322.60 in change orders, for a total not to exceed \$153,000 for both projects; and
2. Authorize the Executive Director to execute the contract.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Michael T. Pucci", written over a horizontal line.

Michael T. Pucci
Executive Director

MTP:ED



Housing Authority of the City of Alameda

701 Atlantic Avenue - Alameda, California 94501-2161 - Tel: (510) 747-4300 - Fax: (510)522-7848 - TDD: (510) 522-8467

Date: December 22, 2005

To: Honorable Chair and Members
of the Board of Commissioners

From: Debra Kurita
Chief Executive Officer

Re: Approve Award of Contract for Kitchen and Bath Cabinets and Countertops to
Lowest Bidder

Background:

This year's budget includes three extraordinary maintenance projects (EMPs) to replace kitchen and bath cabinets and countertops. These projects include 15 units at Esperanza, eight units at Parrot Village, and six units at Eagle Village.

Discussion:

On October 14, 2005, the Housing Authority issued an Invitation for Bids (IFB) for the replacement of kitchen and bath cabinets and countertops at Esperanza, Parrot Village and Eagle Village. A public notice was placed in the local newspaper and on the Housing Authority's website. In addition, all companies that have requested placement on the Housing Authority's list of potential contractors for this type of work and all Alameda contractors with a business license were contacted about the IFB.

Four proposals were received by the deadline of November 4, 2005. One company failed to provide proof of insurance or a letter from his insurance agent that the required insurance could be obtained. In addition, this company made three substantial mathematical errors which made it impossible to determine the intended totals for his bids for all three locations. As a result, this bid was deemed non-responsive. Another bid also was rejected based on poor quality work on past projects. The two remaining responsive bids are:

Contractor	Esperanza	Parrot Village	Eagle Village	TOTAL
ASC Construction, San Francisco	\$ 141,300	\$ 114,000	\$ 69,500	\$ 324,800
Bay Cities Construction, Oakland	\$ 140,100	\$ 113,200	\$ 68,400	\$ 321,700

Bay Cities is the low bidder for all three sites. The Housing Authority has worked with this contractor on other projects; the company has a good record of completing projects on time and within budget. This contractor already has an Alameda business license and the appropriate insurance on file with the Housing Authority.

**Report 2-D
1-3-06**

The Housing Commission had the opportunity to review this information at its regular meeting on December 21. The Commission recommends awarding the contract to Bay Cities. Due to its size, the proposed contract is on file in the City Clerk's Office and Housing Authority's administrative office.

Fiscal Impact:

The budget provides \$144,540 for Esperanza, \$97,200 for Parrot Village and \$65,600 for Eagle Village. Bay Cities' quote of \$140,100 is within the budgeted amount for Esperanza; however, it would provide only a very small contingency. The bids for Parrot Village and Eagle Village are higher than anticipated.

On construction projects, it is typical to include an additional 10 percent to cover contingencies. On a cabinet and countertop project, the additional amount would cover replacing water supply lines, sinks, and faucets as needed. In the case of Esperanza, it also might cover asbestos abatement where the flooring is disturbed. A 10 percent contingency is recommended for Esperanza. Where asbestos is not an issue at Parrot Village and Eagle Village, a 5 percent contingency is considered adequate.

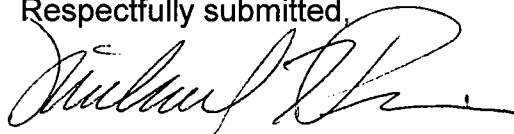
In a separate report, staff is recommending that the EMP budget for the Esperanza project be increased to \$154,110, an increase of \$9,570 to cover a 10 percent contingency. The increased expense at Esperanza, if realized, will be covered by reserves. It is recommended that the budget for the Parrot Village project be increased to \$118,860, a \$21,660 increase and for Eagle Village to \$71,820, a \$6,220 increase. These amounts would cover a 5 percent contingency. The increases at Parrot Village and Eagle Village will be covered with funds made available through the refinancing of these two apartment complexes.

Recommendation:

The Housing Commission and Chief Executive Officer recommend the Board of Commissioners:

1. Award a contract to Bay Cities for an amount not to exceed \$321,700, which includes up to 10 percent for change orders at Esperanza and up to 5 percent for change orders at Parrot Village and Eagle Village to replace kitchen and bath cabinets and countertops at these three complexes; and
2. Authorize the Executive Director to execute the contract.

Respectfully submitted,



Michael T. Pucci
Executive Director

MTP:ED



Housing Authority of the City of Alameda

701 Atlantic Avenue - Alameda, California 94501-2161 - Tel: (510) 747-4300 - Fax: (510) 522-7848 - TDD: (510) 522-8467

Date: December 22, 2005

To: Honorable Chair and Members
of the Board of Commissioners

From: Debra Kurita
Chief Executive Officer

RE: Audit Report for Fiscal Year Ending June 30, 2005

Background:

The financial statements of the Housing Authority of the City of Alameda for the fiscal year ending June 30, 2005, are now complete and have been audited by the firm of Wallace Rowe and Associates, Certified Public Accountants.

Discussion:

This report submits the annual financial statements. The auditors, Wallace Rowe and Associates, opined that "the financial statements...present fairly, in all material respects, the financial position of the Housing Authority of the City of Alameda, California, as of June 30, 2005, and the results of its operations and the cash flow of its proprietary fund types for the year then ended in conformity with accepted accounting principles generally accepted in the United States of America." The Financial Statements provide a brief review of all funds. There were no findings for FY2005. The Housing Commission had the opportunity to review the audited financial statements and voted to recommend acceptance.

Recommendation:

The Housing Commission and Chief Executive Officer recommend the Board of Commissioners accept the audit report for the year ending June 30, 2005.

Respectfully submitted,

Michael T. Pucci
Executive Director

MTP:AJO

**Report 2-E
1-3-06**

**HOUSING AUTHORITY
OF THE CITY OF ALAMEDA
FINANCIAL STATEMENTS
YEAR ENDED JUNE 30, 2005
(Including Auditors' Report Thereon)**

HOUSING AUTHORITY OF THE CITY OF ALAMEDA
FINANCIAL STATEMENTS
JUNE 30, 2005

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WALLACE ROWE & ASSOCIATES

Accounting Firm

430 Verbena Court
Pleasant Hill, CA 94523

(925) 229-1950
Fax (925) 229-1952
wroweassoc@aol.com

INDEPENDENT AUDITORS' REPORT

To the Board of Commissioners
Housing Authority of the
City of Alameda
Alameda, California

We have audited the financial statements of the business-type activities and each major fund of the Housing Authority of the City of Alameda, California, as of and for the year ended June 30, 2005 which collectively comprise the Authority's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Housing Authority of the City of Alameda, California, management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards (2004 Revision)*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the basic financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall basic financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the business activities of the Housing Authority of the City of Alameda, California, as of June 30, 2005, and the respective changes in financial position and cash flow for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated November 9, 2005, on our consideration of the Housing Authority of the City of Alameda, California internal control over final reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of our audit.

The management's discussion and analysis on pages 3 through 8 are not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was performed for the purpose of forming an opinion on the financial statements that collectively comprise the Housing Authority of the City of Alameda, California, basic financial statements. The accompanying Schedule of Expenditures of Federal Awards, Statement of Completed Capital Fund Projects and Financial Data Schedule are presented for purposes of additional analysis as required by the U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations, and the U.S. Department of Housing and Urban Development, and are not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects, in relation to the basic financial statements taken as a whole.

Wallace E. Raw, CPA

November 9, 2005

MANAGEMENT DISCUSSION AND ANALYSIS

As management of the Housing Authority of the City of Alameda (AHA) we offer readers of AHA's financial statements this narrative, overview and analysis of the financial activities of AHA for the fiscal year ending June 30, 2005. We encourage readers to consider the information presented here in conjunction with AHA's financial statements as presented in this report.

The financial statements for the fiscal year 2005 are being issued in the format prescribed by the provisions of Government Accounting Standards Board Statement Number 34 (or GASB 34), which requires the Authority to provide this overview of its financial statements for the fiscal year. Please read it in conjunction with the Basic Financial Statements.

The Housing Authority of the City of Alameda provides housing assistance to low income families and individuals. The Authority's primary source of funding is from governmental grants received from the U.S. Department of Housing and Urban Development (HUD) and rent collections from its owned or administered housing units.

The following management discussion and analysis (MD&A) will discuss the results of the authority's operations. Key financial information for the current fiscal year will be compared with those of the prior year.

A. Financial Highlights

- The two primary revenue resources of the Authority are the U.S. Department of Housing and Urban Development (HUD) grants and rents collected from its owned or administered housing units which totaled \$25,306,757 in fiscal 2005, compared to \$26,295,458 in fiscal 2004.
- The assets of AHA exceeded its liabilities at the close of the most recent fiscal year by \$13,825,027 (net assets) as opposed to \$13,787,038 last year.
- As of the close of the current fiscal year, AHA's Proprietary Fund reported Unrestricted Net Assets of \$3,972,600 compared to 1,508,064 for the prior fiscal year. This was due to changes in the classification of certain cash assets held with trustees.
- AHA's cash and cash equivalent and investment balance at June 30, 2005 was \$7,387,837, representing an increase of \$4,813,889 from the fiscal year 2004 balance of \$2,573,948.
- AHA's had Operating Revenues of \$25,724,122 and Operating Expenses of \$24,837,893 for the fiscal year ending June 30, 2005.
- There were no capital outlays for the fiscal year ending June 30, 2005.
- AHA's Expenditures of Federal Awards amounted to \$20,395,691.

B. Using the Annual Report

Management Discussion and Analysis

Management's Discussion and Analysis are intended to serve as an introduction to AHA's basic financial statements. These financial statements and notes to the financial statements included in this report were prepared in accordance with GAAP applicable to governmental entities in the United States of America for Proprietary Fund types.

Government-wide Financial Statements

The government wide financial statements are designed to provide readers with a broad overview of AHA's finances in a manner similar to a private-sector business. They consist of Comparative Statements of Net Assets, Comparative Statements of Activities and Budget Comparison.

The Comparative Statements of Net Assets present information on all AHA's assets and liabilities with the difference between the two reported as net assets. Increases or decreases in net assets will serve as a useful indicator of whether the financial position of the Authority is improving or deteriorating.

Comparative Statements of Activities present information showing how the Authority's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of unrelated cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., depreciation and earned but unused vacation leave).

The government wide financial statements report on AHA's activities. The activities are primarily supported by HUD subsidies and grants. AHA's function is to provide decent, safe and sanitary housing to low income and special needs populations. The financial statements can be found after this management discussion and analysis.

Notes to Financial Statements

The Notes to Financial Statements provide additional information that is essential to a full understanding of the data provided in the general purpose financial statements. The Notes to Financial Statements can be found in this report after the general purpose financial statements.

Supplemental Information

The schedule of expenditures of Federal awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments and Non-Profit Organizations. The schedule of Federal awards can be found in the Supplemental Information section of this report.

C. Housing Authority of the City of Alameda as a Whole

AHA's net assets increased \$37,989 during the fiscal year as detailed below. AHA's revenues are primarily tenant rents and federal subsidies and grants received from the U. S. Department of Housing and Urban Development (HUD). AHA receives dwelling rents from low income seniors and families based on 30% of their gross income adjusted per HUD rules and regulations. AHA also receives housing assistance subsidies and administrative fees for operating the local Housing Choice Voucher program. AHA also receives subsidies each month for its owned low rent housing units. AHA's revenues were sufficient to cover all expenses, including depreciation, during the fiscal year. There was no over leasing of Section 8 Housing Choice Voucher units during 2005.

D. Budgetary Highlights

For the fiscal year ended June 30, 2005, AHA-wide budgets were prepared for the agency. The budgets were primarily used as a management tool. The budgets were prepared in accordance with the accounting procedures prescribed by the applicable funding agency.

The budget comparison too actual can be found just after the statement of comparative activities.

E. Capital Assets and Debt Administration

Capital Assets:

As of June 30, 2005, AHA's investment in Capital Assets for its Proprietary Fund was \$25,832,754 (net of accumulated depreciation). This investment in Capital Assets includes land, buildings, equipment and construction in progress. There were no major capital assets purchased during the fiscal year.

Additional information on AHA's Capital Assets can be found in Note 4 to the Financial Statements included in this report.

Long Term Debt:

AHA issued bonds totaling \$6,800,000 during the fiscal year 2005. The new refinancing bond issuance was used to pay off the mortgages for Parrot Village, Eagle Village and China Clipper properties. The remaining bond proceeds of \$1,802,905 will be expended for EMP projects at Parrot Village and Eagle Village, as well as necessary upgrades to other AHA properties. The new refinancing bond issuance is secured by the properties of Parrot Village and Eagle Village. The China Clipper property no longer has any mortgage debt.

Please see Note 5 to the financial statements for a detailed breakdown of outstanding loan balances and the terms of the long-term debt. All obligations were paid up to current as of the end of the fiscal year 2005.

F. Economic Factors and Next Year's Budgets and Rates

The following factors were considered in preparing AHA's budget for Fiscal Year Ending June 30, 2006:

- The state of the economy given high budget deficits.
- The need for Congress to fund the war on terrorism and continued cutbacks on HUD subsidies and grants.
- Rising health and liability insurance premiums.

HOUSING AUTHORITY OF THE CITY OF ALAMEDA COMPARATIVE STATEMENT OF NET ASSETS JUNE 30, 2005

	<u>Enterprise Fund</u>	
<u>Assets</u>	<u>2005</u>	<u>2004</u>
Current and Other Assets	\$ 7,669,808	\$ 3,956,251
Capital Assets	<u>26,075,863</u>	<u>26,608,859</u>
Total Assets	<u>\$ 33,745,671</u>	<u>\$ 30,565,110</u>
<u>Liabilities</u>		
Current and Other Liabilities	\$ 2,481,161	\$ 1,048,439
Long-term Liabilities	<u>17,439,483</u>	<u>15,729,633</u>
Total Liabilities	<u>19,920,644</u>	<u>16,778,072</u>
<u>Net Assets</u>		
Invested in Capital Assets, net of related debt	8,200,271	10,563,543
Restricted Net Assets	1,652,156	1,715,431
Unrestricted Net Assets	<u>3,972,600</u>	<u>1,508,064</u>
Total Net Assets	<u>\$ 13,825,027</u>	<u>\$ 13,787,038</u>

HOUSING AUTHORITY OF THE CITY OF ALAMEDA
COMPARATIVE STATEMENT OF ACTIVITIES
JUNE 30, 2005

	<u>Enterprise Fund</u>	
	<u>2005</u>	<u>2004</u>
<u>Operating Revenues</u>		
Grants	\$ 22,357,796	\$ 23,420,341
Rents	2,948,961	2,875,117
Other	<u>417,365</u>	<u>181,857</u>
Total Revenues	<u>25,724,122</u>	<u>26,477,315</u>
<u>Operating expenses</u>		
Administration	2,658,649	2,491,443
Utilities	674,330	440,246
Maintenance	2,018,656	2,210,029
Protective services	118,936	170,000
General	482,798	411,445
Housing Assistance Payments	18,108,418	21,360,949
Depreciation	<u>776,106</u>	<u>749,014</u>
Total Expenses	<u>24,837,893</u>	<u>27,833,126</u>
Operating Income (Loss)	<u>886,229</u>	<u>(1,355,811)</u>
<u>Non-Operating Revenues (Expenses)</u>		
Investment income	56,426	39,982
Interest expense	<u>(904,666)</u>	<u>(915,800)</u>
Non-Operating revenue (loss)	<u>(848,240)</u>	<u>(875,818)</u>
Net Income (Loss)	37,989	(2,231,629)
Net Assets, Beginning of Year	<u>13,787,038</u>	<u>16,018,667</u>
Net Assets, End of Year	<u>\$ 13,825,027</u>	<u>\$ 13,787,038</u>

**HOUSING AUTHORITY OF THE CITY OF ALAMEDA
BUDGET TO ACTUAL COMPARISON
JUNE 30, 2005**

	<u>2005 Budget</u>	<u>2005 Actual</u>	<u>Favorable (Unfavorable) Variance</u>
<u>Operating Revenues</u>			
Grants	\$ 23,005,474	\$ 22,357,796	\$ (647,678)
Rents	2,948,260	2,948,961	701
Other	<u>385,010</u>	<u>417,365</u>	<u>32,355</u>
Total Revenues	<u>26,338,744</u>	<u>25,724,122</u>	<u>(614,622)</u>
<u>Operating expenses</u>			
Administration	2,626,821	2,658,649	(31,828)
Utilities	442,957	674,330	(231,373)
Maintenance	2,379,360	2,018,656	360,704
Protective services	190,000	118,936	71,064
General	268,892	482,798	(213,906)
Housing Assistance Payments	19,156,430	18,108,418	1,048,012
Depreciation	<u>-</u>	<u>776,106</u>	<u>(776,106)</u>
Total Expenses	<u>25,064,460</u>	<u>24,837,893</u>	<u>226,567</u>
Operating Income (Loss)	<u>1,274,284</u>	<u>886,229</u>	<u>(388,055)</u>
<u>Non-Operating Revenues (Expenses)</u>			
Investment income	21,650	56,426	34,776
Interest expense	<u>(1,283,080)</u>	<u>(904,666)</u>	<u>378,414</u>
Non-Operating revenue (loss)	<u>(1,261,430)</u>	<u>(848,240)</u>	<u>413,190</u>
Net Income (Loss)	<u>\$ 12,854</u>	<u>\$ 37,989</u>	<u>\$ 25,135</u>

G. Contacting AHA's Financial Management

This financial report is intended to provide a general overview of the Authority's finances for all those with an interest. Questions about this report should be directed to the Finance Manager at 701, Atlantic Avenue, Alameda, California 94501.

**STATEMENT OF NET ASSETS AND
STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN NET ASSETS -
PROPRIETARY FUND TYPES**

The Statement of Net Assets and Statement of Revenues, Expenses, and Changes in Net Assets - Proprietary Funds are statements required by Government Accounting Board Statement 34. Their purpose is to summarize the entire Authority's financial activities and financial position. They are prepared on the same basis as is used by most businesses, which means they include all the Authority's assets and its liabilities, as well as its revenues and expenses. This is known as the full accrual basis - the effect of all the Authority's transactions is taken into account, regardless of whether or when cash changes hands.

The Statement of Net Assets reports the difference between the Authority's total assets and the Authority's total liabilities. The statement of Net Assets presents similar information to the old balance sheet format, but presents it in a way that focuses the reader on the composition of the Authority's net assets, by subtracting total liabilities from total assets.

The Statement of Net Assets summarizes the financial position of all the Authority's Business-Type Activities.

HOUSING AUTHORITY OF THE CITY OF ALAMEDA
STATEMENT OF NET ASSETS
PROPRIETARY FUNDS
JUNE 30, 2005

	<u>Enterprise Fund</u> <u>Housing</u>
<u>ASSETS</u>	
Current Assets:	
Cash and investments (Note 3)	\$ 7,387,837
Due from other governments	77,077
Tenant accounts receivable	39,624
Accounts receivable - other	95,005
Prepaid expenses	64,067
Inventory	<u>6,198</u>
Total current assets	<u>7,669,808</u>
Noncurrent Assets:	
Notes receivable from other agency	<u>243,109</u>
Capital Assets (note 4):	
Land	7,746,432
Structures	29,929,209
Equipment	<u>200,988</u>
	37,876,629
Less Accumulated Depreciation	<u>(12,043,875)</u>
Net Capital Assets	<u>25,832,754</u>
Total Noncurrent Assets	<u>26,075,863</u>
Total assets	<u>\$ 33,745,671</u>
<u>LIABILITIES</u>	
Current Liabilities:	
Accounts payable - vendors	\$ 61,163
Accounts payable - other agencies	1,534,929
Tenant security deposits	329,488
Accrued liabilities	212,616
Notes payable	266,369
Accrued compensated absences	<u>76,596</u>
Total current liabilities	<u>2,481,161</u>
Noncurrent liabilities:	
Notes payable	17,366,114
Compensated absences	<u>73,369</u>
Total noncurrent liabilities	<u>17,439,483</u>
Total liabilities	<u>19,920,644</u>
<u>NET ASSETS</u>	
Invested in capital assets, net of related debt	8,200,271
Restricted	1,652,156
Unrestricted	<u>3,972,600</u>
Total Net Assets	<u>\$ 13,825,027</u>

The accompanying notes are an integral part of this statement.

**HOUSING AUTHORITY OF THE CITY OF ALAMEDA
COMBINED STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN NET ASSETS -
PROPRIETARY FUND TYPES
FOR THE YEAR ENDED JUNE 30, 2005**

	<u>Enterprise Fund</u> <u>Housing</u>
<u>Operating Revenues</u>	
Grant	\$ 22,357,796
Rents	2,948,961
Other	<u>417,365</u>
Total revenues	<u>25,724,122</u>
<u>Operating Expenses</u>	
Administration	2,658,649
Utilities	674,330
Maintenance	2,018,656
Protective services	118,936
General	482,798
Housing assistance payments	18,108,418
Depreciation	<u>776,106</u>
Total expenditures	<u>24,837,893</u>
Operating income (loss)	<u>886,229</u>
<u>Non-Operating Revenues (Expenses)</u>	
Investment income	56,426
Interest expense	<u>(904,666)</u>
Net non-operating revenue (expenses)	<u>(848,240)</u>
Increase (decrease) in net assets	37,989
Total net assets, beginning	<u>13,787,038</u>
Total net assets, ending	<u><u>\$ 13,825,027</u></u>

The accompanying notes are an integral part of this statement.

**HOUSING AUTHORITY OF THE CITY OF ALAMEDA
COMBINED STATEMENT OF CASH FLOWS -
PROPRIETARY FUND TYPES
FOR THE YEAR ENDED JUNE 30, 2005**

	<u>Enterprise Fund</u> <u>Housing</u>
<u>Cash flows from operating activities:</u>	
Cash received from grants	\$ 25,087,364
Cash received from rents	2,940,652
Other cash receipts	360,850
Cash paid to employees	(2,315,059)
Cash payments to suppliers	(3,647,318)
Cash payments to landlords	(18,108,418)
Net cash provided (used) in operating activities	<u>4,318,071</u>
<u>Cash flows from capital and related financing activities:</u>	
Proceeds from issuance of long-term debt	6,800,000
Mortgage principal payments	(5,212,833)
Mortgage interest payments	(904,666)
Net cash (used) by capital and related financing activities	<u>682,501</u>
<u>Cash flows from investing activities:</u>	
Loans to other agencies	(243,109)
Interest received	56,426
Net cash provided by investing activities	<u>(186,683)</u>
Net increase (decrease) in cash	4,813,889
Cash at beginning of year	2,573,948
Cash at end of year	<u>\$ 7,387,837</u>
<u>Reconciliation of operating income (loss) to net cash</u>	
<u>provided (used) by operating activities:</u>	
Operating income (loss)	\$ 886,229
Adjustments to reconcile operating income (loss) to	
net cash provided (used) by operating activities:	
Depreciation	776,106
Changes in assets and liabilities:	
Increase in accounts receivable	(56,515)
Decrease in due from other governments	1,206,372
Increase in tenants accounts receivable	(8,309)
Increase in prepaid expenses	(40,597)
Increase in inventories	(620)
Decrease in accounts payable	(106,169)
Increase in accounts payable other agencies	1,523,196
Increase in tenants security deposits payable	20,830
Increase in other accrued liabilities	164,346
Decrease in compensated absences	(46,798)
Net cash provided by operating activities	<u>\$ 4,318,071</u>

The accompanying notes are an integral part of this statement.

HOUSING AUTHORITY OF THE CITY OF ALAMEDA
NOTES TO THE BASIC FINANCIAL STATEMENTS
JUNE 30, 2005

Note 1 - DEFINITION OF REPORTING ENTITY

The Housing Authority of the City of Alameda (the Authority) was established on August 8, 1940, by a resolution of the City of Alameda City Council. The Authority is governed by a six member Board of Commissioners. Five of these members are also members of the City Council of the City of Alameda and one member is a resident in one of the Authority's complexes. The Board retains authority over the budget but has delegated authority for most other policy decisions to the seven member Housing Commission. The City Council appoints the members of the Housing Commission who serve for either two or four year terms.

During the year ended June 30, 2005, the Authority did not exercise oversight responsibility over any other organizations. The financial statements present information for the activities of only that portion of funds and account groups of the Housing Authority of the City of Alameda. These financial statements do not present information of any other component unit or department of the City of Alameda.

Note 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Basis of Presentation

The accompanying financial statements are presented on the basis set forth in Government Accounting Standards Board Statement 34, *Basic Financial Statements-and Management's Discussion and Analysis-for State and Local Governments*. GASB 34 requires that the financial statements described below be presented.

Government-wide Statements: The Statement of Net Assets and Statement of Activities display information about the primary government (the Authority). These statements include the financial activities of the overall Authority. These statements distinguish between the *governmental and business-type activities* of the Authority. Business-type activities are financed in whole or in part by fees charged to external parties. There were no governmental type activities for the Authority for fiscal year 2005.

The Statement of Activities presents a comparison between direct expenses and program revenues for each segment of the business-type activities of the Authority and for each function of the Authority's governmental activities (if such activities were to exist). Direct expenses are those that are specifically associated with a program or function and, are clearly identifiable to a particular function. Program revenues include grants and contributions that are restricted to the operations of a particular program. Revenues that are not classified as program revenues are presented as general revenues.

HOUSING AUTHORITY OF THE CITY OF ALAMEDA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2005

Note 2 (continued)

Fund Financial Statements: The fund financial statements provide information about the Authority's funds. The emphasis of fund financial statements is on major individual governmental funds, each of which is displayed in a separate column. There are no governmental fund types for this Authority.

B. Basis of Accounting

The government-wide financial statements are reported using the *economic resources measurement focus* and the *full accrual basis* of accounting. Revenues are recorded when earned and expenses are recorded at the time liabilities are incurred, regardless of when related cash flows take place.

Revenue from grants and donations are recognized in the fiscal year in which all eligibility requirements have been satisfied.

C. Budgeting Procedures

The Authority participates in the budgetary process of the City of Alameda, California. During March of each year, the Executive Director of the Authority must submit estimates of available financing and financing requirements for the Authority to the Authority's Chief Executive officer. The Chief Executive Officer makes any necessary revisions and submits the budget to the Board of Commissioners for approval.

Subsequent revisions to the budget are made in the form of either supplemental appropriations or transfers between budget categories. The Board of Commissioners approves all significant budgetary revisions.

D. Encumbrances

Encumbrance accounting is not employed by the Authority.

E. Grant Restrictions

The Authority has received grants from the U.S. Department of Housing and Urban Development that provide for community development activities and assistance to individuals.

HOUSING AUTHORITY OF THE CITY OF ALAMEDA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2005

Note 2 (continued)

F. Fixed Assets

Fixed assets are valued at historical cost. Contributed general fixed assets are recorded at fair market value at the time received. Interest expense incurred during the development period is capitalized.

Fixed assets include all land and site improvements thereon; all dwelling and nondwelling structures, including fixtures permanently attached thereto or installed in a fixed position; and all items of nonexpendable equipment acquired and held for the projects. It also includes items of expendable equipment paid for from funds provided for the development of the projects.

Maintenance, minor repairs and replacements are recorded as expenses; extraordinary replacements of property resulting in property betterments are charged to the property accounts.

Depreciation is charged to operations using the straight-line method based on the estimated useful life of the related asset. The estimated useful lives of the various asset categories are as follows:

Buildings and improvements	40 years
Equipment and vehicles	5 years

G. Receivables

All receivables are reported at their gross value.

H. Income Taxes

The Authority is exempt from Federal Income and California Franchise Taxes.

I. Inventories

Inventory is valued at the lower of cost or market on a first-in, first-out basis. Inventory consists of expendable maintenance supplies held for consumption. The purchase method is used to account for inventories. Under the purchase method, inventories are recorded as expenditures when purchased; however, material amounts of inventories on hand at the fiscal year end are reported as assets.

J. Employee Leave Benefits

Regular full-time employees earn from 10 to 25 vacation days per year, depending upon their length of employment. Each employee also earns 12 sick leave days per year. Unused annual leave may be accumulated not to exceed 10 days in addition to that accrued in the current calendar year. Unused sick leave will be allowed to accumulate. An employee terminating employment shall be paid for any accumulated annual leave at their current hourly rate of pay. Employees terminating employment receive no compensation for unused sick leave.

HOUSING AUTHORITY OF THE CITY OF ALAMEDA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2005

Note 2 (continued)

K. Grant Restrictions

The Authority has received loans and grants from the U.S. Department of Housing and Urban Development to build and improve housing projects. The grants require that only individuals and families that meet various income, age and employment standards be housed or aided.

Note 3 - CASH AND INVESTMENTS

A. Policies

California law requires banks and savings and loan institutions to pledge government securities with a market value of 110% of the Authority's cash on deposit, or first trust deed mortgage notes with a market value of 150% of the deposit, as collateral for these deposits. Under California Law this collateral is held in a separate investment pool by another institution in the Authority's name and places the authority ahead of general creditors of the institution.

The Authority and its fiscal agents invest in individual investments and in investment pools. Individual investments are evidenced by specific identifiable *securities instruments*, or by electronic entry registering the owner in the records of the institution issuing the security, called the *book entry* system. In order to increase security, the Authority employs the Trust Department of a bank as the custodian of certain managed investments, regardless of their form.

The Authority's investments are carried at fair value, as required by generally accepted accounting principles. The Authority adjusts the carrying value of its investments to reflect their fair value at each fiscal year end, and it includes the effects of those adjustments in income for that fiscal year.

Cash and cash equivalents are considered to be liquid assets for purposes of measuring cash flows. Restricted cash and investments are not included for cash flow purposes.

B. Classification

Cash and investments are classified in the financial statements as shown below, based on whether or not their use is restricted under the terms of Authority debt instruments or agency agreements. Cash and investments as of June 30, 2005 are as follows:

Cash and investments	\$ 4,967,939
Investments with trustees	<u>2,419,898</u>
Total	<u>\$ 7,387,837</u>

HOUSING AUTHORITY OF THE CITY OF ALAMEDA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2005

Note 3 (continued)

The \$4,967,939 of cash and investments reflects \$1,302,165 maintained on deposit in banks, \$250 of petty cash, \$100,346 in certificates of deposit, and \$3,565,178 deposited in the State of California Local Agency Investment Fund (LAIF). Of the amounts deposited into banks and certificates of deposit, \$200,000 is covered by federal deposit insurance. The remaining \$1,202,511 as previously stated is required by California law to be collateralized by governmental securities with a market value of 110% of the deposit or with first trust deed mortgages with a value of 150% of the uninsured amount.

The \$2,419,898 of investments with trustees reflects amounts held by trust departments of various Authority lending agencies. These amounts will be used for future rehabilitation and operating costs of the Authority's multifamily projects. Investments are carried at fair value.

C. Investments Authorized by the California Government Code and the Authority's Investment Policy

The Authority's investment policy and the California Government Code allow the Authority to invest in the following, provided rating of the issuers are acceptable to the Authority; and approved percentages and maturities are not exceeded. The table below also identifies certain provisions of the California Government Code, or the Authority's investment policy where the Authority's Investment Policy is more restrictive.

<u>Authorized Investment Type</u>	<u>Maximum Maturity</u>	<u>Minimum Credit Quality</u>	<u>Maximum in Portfolio</u>	<u>Maximum Investment In One</u>
Repurchase Agreements	N/A	N/A	N/A	N/A
California Local Agency Investment Fund (LAIF)	Upon Demand	N/A	N/A	N/A
U.S. Treasury Bonds, Notes & Bills	N/A	N/A	N/A	N/A
U.S. Agency & U.S. Government	N/A	N/A	N/A	N/A
Bankers acceptances	270 Days	N/A	40%	30%
Negotiable Certificates of Deposit	N/A	AA	30%	N/A
Time Certificates of Deposit	N/A	N/A	30%	N/A
Medium Term Corporate Notes	5 Years	N/A	30%	N/A
Money Market Mutual Funds	N/A	AAA	20%	N/A
County Agency Investment fund	Upon Demand	N/A	30%	N/A
Reverse Repurchase agreements	N/A	N/A	N/A	N/A

HOUSING AUTHORITY OF THE CITY OF ALAMEDA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2005

Note 3 (continued)

D. Investments authorized by Debt Agreements and Governmental Grants

The Authority must maintain required amounts of cash and investments or fiscal agents under terms of certain debt issues and governmental grants. These funds are unexpended bond proceeds or are pledged as reserves to be used if the Authority fails to meet its obligations under these debt issuances or governmental grants. The California Government Code requires these funds to be invested in accordance with Authority policies, bond indentures or State Statute. The table below identifies the investment types that are authorized for investments held by fiscal agents. The table also identifies certain provisions of these debt agreements:

<u>Authorized Investment Type</u>	<u>Maximum Maturity</u>	<u>Minimum Credit Quality</u>	<u>Maximum in Portfolio</u>	<u>Maximum Investment In One</u>
Repurchase Agreements	N/A	N/A	N/A	N/A
Government Obligations & Agencies	N/A	N/A	N/A	N/A
State Obligations	N/A	N/A	N/A	N/A
Commercial Paper	N/A	N/A	N/A	N/A
Bankers acceptances	N/A	N/A	N/A	N/A
Certificates of Deposit	N/A	N/A	N/A	N/A
Time Deposits	N/A	N/A	N/A	N/A
Qualified Financial Institution				
General Obligations	Upon Demand	AAA	N/A	N/A
Money Market Mutual Funds	N/A	AAA	N/A	N/A

E. Interest Rate Risk

Interest rate risk is the risk that changes in the market interest rates will adversely affect the fair value of an investment. Generally the longer the maturity of an investment, the greater the sensitivity of its fair value to changes in market interest rates. Information about the sensitivity of the fair values of the Authority's investments (including investments held by bond trustees) to market rate fluctuations is provided by the following table that shows the distribution of the Authority's investments by maturity:

<u>Investment Type</u>	<u>12 Months or Less</u>	<u>One to Five Years</u>	<u>More Than Five Years</u>	<u>Total</u>
Certificates of Deposit	\$ 100,346	\$ -	\$ -	\$ 100,346
U.S. Treasury Notes and Bills	2,419,898	-	-	2,419,898
Local Agency Investment Fund	3,565,178	-	-	3,565,178
Total Investments	<u>\$ 6,085,422</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 6,085,422</u>

HOUSING AUTHORITY OF THE CITY OF ALAMEDA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2005

Note 3 (continued)

F. Credit Risk

Generally, credit risk is the risk that an issuer of an investment will not fulfill its obligation to the holder of the investment. This is measured by the assignment of a rating by a nationally recognized statistical rating organization. Present below is the actual rating as of June 30, 2005 for each Authority investment type as provided by Standard and Poor's except as noted:

<u>Investment Type</u>	
Not Rated:	
Local Agency Investment Fund	\$ 3,565,178
Certificates of deposit	100,346
Exempt:	
U.S. Treasury Notes and Bills	<u>2,419,898</u>
Total Investments	<u><u>\$ 6,085,422</u></u>

G. Concentration of Credit Risk

The Authority is required to disclose investments that represent a concentration of five percent or more of investments in any issuer, held by individual Authority Funds in the securities of issuers other than U.S. Treasury securities, mutual funds and external investment pools. At June 30, 2005 there were no investments of this type.

Note 4 - FIXED ASSETS

The following is a summary of the Authority's changes in fixed assets for the fiscal year ended June 30, 2005:

	<u>Balance</u> <u>7/1/04</u>	<u>Additions</u>	<u>Deletions</u>	<u>Balance</u> <u>6/30/05</u>
Land	\$ 7,746,432	\$ -	\$ -	\$ 7,746,432
Buildings & Improvements	29,929,209	-	-	29,929,209
Equipment	<u>200,988</u>	<u>-</u>	<u>-</u>	<u>200,988</u>
	<u>\$ 37,876,629</u>	<u>\$ -</u>	<u>\$ -</u>	<u>37,876,629</u>
Less accumulated Depreciation				<u>(12,043,875)</u>
Fixed assets, net				<u><u>\$ 25,832,754</u></u>

HOUSING AUTHORITY OF THE CITY OF ALAMEDA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2005

Note 5 - LONG-TERM DEBT

Following is a summary changes in long-term debt for the year ended June 30, 2005:

	Balance 7/1/04	Additions	Deletions	Balance 6/30/05
Washington Mutual Bank	\$ 2,136,347	\$ -	\$2,136,347	\$ -
Reilly Mortgage	1,865,084	-	1,865,084	-
ARCS Commercial Co. L.P.	-	6,800,000	6,985	6,793,015
Midland Loan Services	9,440,821	-	158,612	9,282,209
Notes Payable - City of Alameda	1,088,600	-	-	1,088,600
Notes Payable - Other	1,514,464	-	1,045,805	468,659
Compensated Absences (Note 6)	196,763	-	46,798	149,965
	<u>\$ 16,242,079</u>	<u>\$ 6,800,000</u>	<u>\$5,259,631</u>	<u>\$17,782,448</u>

The following is a schedule of debt payment requirements to maturity for long-term obligations other than compensated absences:

Year Ending June 30	Principal	Interest	Total Required Payments
2006	\$ 266,369	\$ 787,555	\$ 1,053,924
2007	281,811	774,054	1,055,865
2008	299,334	759,772	1,059,106
2009	316,655	744,667	1,061,322
2010	334,979	728,688	1,063,667
2011-2015	1,989,091	3,369,533	5,358,624
2016-2020	2,635,270	2,806,489	5,441,759
2021-2025	3,491,662	2,060,869	5,552,531
2026-2030	4,500,804	1,089,097	5,589,901
2031-2035	2,546,295	220,000	2,766,295
2036-2040	48,618	-	48,618
2041-2045	43,684	-	43,684
2046-2050	36,934	-	36,934
2051-2055	213,151	-	213,151
2056-2060	627,826	1,462,854	2,090,680
	<u>\$ 17,632,483</u>	<u>\$ 14,803,578</u>	<u>\$ 32,436,061</u>

HOUSING AUTHORITY OF THE CITY OF ALAMEDA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2005

Note 5 (continued)

The deed of trust note dated April 1, 2005 of \$6,800,000 for the Parrot Village and Eagle Village Apartments with ARCS Commercial Co. L.P. accrues interest at a variable rate based upon the weekly short term bond reset rate. The note requires annual payments of principal and interest in amounts at least totaling \$340,016. The note matures April 15, 2035. The outstanding balance on the note at June 30, 2005 was \$6,793,015.

Four other notes are secured by deeds of trust on six properties located throughout the city of Alameda. These notes were issued during the fiscal years ended June 30, 1997 and June 30, 2004. These notes have a balance owing of \$468,659 as of June 30, 2005. The notes have interest rates ranging from 5.05% to 6.72% per annum and require annual principal and interest payments totaling \$37,298.

Issued during the fiscal year ended June 30, 1997 were two deferred loans from the City of Alameda. These loans were issued for \$518,600 and carry no interest rate. They are secured by deeds of trust on nine properties located in Alameda, California. One of the notes is deferred until January 1, 2007, while the other is deferred until January 1, 2027. Varying semiannual payments are due on each loan from the deferral date through January 1, 2027.

A promissory note agreement for \$570,000 was entered into with the City of Alameda on June 18, 1998. This note bears interest at 3% per annum. Both interest and principal payments on this loan are deferred until the note's due date of June 30, 2057.

The mortgage note payable to Midland Loan Services, Inc. was entered into on August 25, 1998. It is payable in monthly installments of \$56,705, including principal and interest at 5.57%. Final payment is due February 1, 2031. The outstanding balance on this loan at June 30, 2005 was \$9,282,205.

Note 6 - COMPENSATED ABSENCES

It is the Authority's policy to permit employees to accumulate earned but unused vacation leave up to a maximum of 10 days. This leave will be used in future periods or paid to employees upon separation from the Authority. Accrued vacation leave has been valued by the Authority and has been recorded at \$149,965 as of June 30, 2005.

It is the Authority's policy to permit employees to accumulate earned but unused sick leave, however, the value of unused sick leave is not payable to employees upon separation from the Authority. The cost of vacation is recognized when payments are made to the employees.

HOUSING AUTHORITY OF THE CITY OF ALAMEDA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2005

Note 7 - OPERATING LEASE

The Authority on March 14, 2004 entered into a lease agreement with the Resources for Community Development (RCD) to lease land to RCD until March 14, 2078. Total rental income for the year ended June 30, 2005 under the lease agreement was \$1.

At June 30, 2005, the future rental income required under the lease for the land is as follows:

Fiscal Year <u>Ending</u>	
2006	\$ 1
2007	1
2008	1
2009	1
2010	1
Thereafter	<u>67</u>
	<u><u>\$ 72</u></u>

Note 8 - EMPLOYEES RETIREMENT PLAN

On July 1, 2000, the employees of the Housing Authority of the City of Alameda officially became employees of the City of Alameda. The individuals continue to work at the Authority as contracted staff. Upon becoming employees of the City of Alameda these employees became entitled to the benefits offered all other employees of the City, including participation in the City's employees' retirement plan. On July 1, 2004 the Board of Commissioners approved the merger of the Authority's previous pension plan with the existing plan of the City of Alameda. This merger became retroactive to July 1, 2000, the date the employees of the Housing Authority became employees of the City of Alameda. The information pertaining to the retirement plan for staff at the Housing Authority of the City of Alameda is included in the financial report for the City of Alameda.

Note 9 - JOINT POWERS AGREEMENTS

Workers' Compensation Insurance

The Authority participates in a joint venture under a joint powers agreement (JPA) with the California Housing Workers' Compensation Authority (CHWCA). CHWCA was formed to provide workers' compensation insurance coverage for member housing authorities. As of December 31, 2004, there were 31 members. The relationship between the Authority and CHWCA is such that CHWCA is not a component unit of the Authority for financial reporting purposes.

HOUSING AUTHORITY OF THE CITY OF ALAMEDA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 2005

Note 9 (continued)

Condensed audited financial information for the year ended December 31, 2004, is as follows:

Total assets	\$ 13,869,674
Total liabilities	<u>(13,057,013)</u>
Total net assets	<u>\$ 812,661</u>
 Total revenues	 \$ 5,922,500
Total expenses	<u>(6,486,522)</u>
Net increase in retained earnings	<u>\$ (564,022)</u>

CHWCA had \$9,481,737 of long-term unpaid claims and claim adjustment expenses outstanding at December 31, 2004. The Authority's share of year ended assets, liabilities, or retained earnings has not been calculated.

Property and Liability Insurance

The Authority participates in a joint venture under a joint powers agreement (JPA) with the Housing Authorities Risk Retention Pool (HARRP). HARRP was formed to provide property and liability insurance coverage for member housing authorities. At December 31, 2004 there were 91 members. The relationship between the Authority and HARRP is such that HARRP is not a component unit of the Authority for financial reporting purposes.

Condensed audited financial information for the year ended December 31, 2004 is as follows:

Total assets	\$ 23,253,030
Total liabilities	<u>(5,206,539)</u>
Total net assets	<u>\$ 18,046,491</u>
 Total revenues	 \$ 4,062,773
Total expenses	<u>(2,968,437)</u>
Net increase in retained earnings	<u>\$ 1,094,336</u>

HARRP had no long-term debt outstanding at December 31, 2004. The Authority's share of year end assets, liabilities, or retained earnings has not been calculated.

SUPPLEMENTAL INFORMATION

**HOUSING AUTHORITY OF THE CITY OF ALAMEDA
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
FOR THE YEAR ENDED JUNE 30, 2005**

<u>Federal Grantor</u>	<u>CFDA Number</u>	<u>Expenditures</u>
Department of Housing and <u>Urban Development (HUD)</u>		
Direct Programs:		
Public and Indian Housing	14.850	\$ 90,917
Rent Supplements/Lower Income Families	14.119	167,962
Section 8 Housing Choice Vouchers	14.871	18,928,431 *
N/C S/R Section 8 Programs	14.182	978,333
Public Housing Capital Fund	14.872	<u>230,048</u>
Total direct programs		<u>\$ 20,395,691</u>

* Major Federal Program

This schedule was prepared on the accrual basis of accounting.

The accompanying Independent Auditors' Report and notes are an integral part of this statement.

**HOUSING AUTHORITY OF THE CITY OF ALAMEDA
STATEMENT OF COMPLETED CAPITAL FUND PROGRAM
JUNE 30, 2005**

Capital Fund Project No. CA39P06250104

Grant funds approved	\$ 230,048
Grant funds received from HUD	<u>230,048</u>
Grant fund receivable	<u><u>\$ -</u></u>
Grant funds expended	\$ 230,048
Grant funds received from HUD	<u>230,048</u>
Unexpended funds received from HUD	<u><u>\$ -</u></u>

The accompanying Independent Auditors' Report and notes are an integral part of this statement.

430 Verben Court
Pleasant Hill, CA 94523

(925) 229-1950
Fax (925) 229-1952
wroweassoc@aol.com

**REPORT ON COMPLIANCE AND ON INTERNAL CONTROL
OVER FINANCIAL REPORTING
BASED ON AN AUDIT OF BASIC
FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

To the Board of Commissioners
Housing Authority of the
City of Alameda
Alameda, California

We have audited the financial statements of the business-type activities of the Housing Authority of the City of Alameda, California, as of and for the year ended June 30, 2005, which collectively comprise the Housing Authority of the City of Alameda, California's basic financial statements and have issued our report thereon dated November 9, 2005. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance that is required to be reported under *Government Auditing Standards*.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the Housing Authority of the City of Alameda's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide assurance on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level of risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

This report is intended solely for the information and use of the Board of Commissioners, management and federal awarding agencies and is not intended to be and should not be used by anyone other than these specified parties.

Wallace E. Howe, CPA

November 9, 2005

430 Verben Court
Pleasant Hill, CA 94523

(925) 229-1950
Fax (925) 229-1952
wroweassoc@aol.com

**REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO
EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE
REQUIRED BY OMB CIRCULAR A-133**

To the Board of Commissioners
Housing Authority of the
City of Alameda
Alameda, California

Compliance

We have audited the compliance of the Housing Authority of the City of Alameda, California with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) Circular A-133 *Compliance Supplement* that is applicable to each of its major federal programs for the year ended June 30, 2005. Housing Authority of the City of Alameda, California's major programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs are the responsibility of the Housing Authority of the City of Alameda's management. Our responsibility is to express an opinion on the Housing Authority of the City of Alameda, California's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and (OMB) Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether material noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the Housing Authority of the City of Alameda, California's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the Housing Authority of the City of Alameda, California's compliance with those requirements.

In our opinion, the Housing Authority of the City of Alameda, California complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2005.

Internal Control Over Compliance

The management of the Housing Authority of the City of Alameda, California is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the Housing Authority of the City of Alameda, California's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider a material weakness.

This report is intended solely for the information and the use of the Board of Commissioners, management, and federal awarding agencies and is not intended to be and should not be used by anyone other than these specified parties.

Wallace E. Rowe, CPA

November 9, 2005

**HOUSING AUTHORITY OF THE CITY OF ALAMEDA
STATUS OF PRIOR AUDIT FINDINGS
JUNE 30, 2005**

The previous audit report for the year ended June 30, 2004, contained no audit findings

**HOUSING AUTHORITY OF THE CITY OF ALAMEDA
REPORT ON FINDINGS AND QUESTIONED COSTS
JUNE 30, 2005**

Section I - Summary of Auditors' Results

Financial Statements

Type of auditors' report issued:	unqualified
Internal control over financial reporting:	
Material weaknesses identified?	no
Reportable conditions identified not considered material weaknesses?	no
Noncompliance material to financial statements?	no

Federal Awards

Internal control over major programs:	
Material weaknesses identified?	no
Reportable conditions identified not considered material weaknesses?	no
Type of auditors' report issued on compliance for major programs:	unqualified
Any audit findings disclosed that are required to be reported in accordance with A-133, Section .510(a)?	no
Identification of major programs:	
Section 8 Housing Choice Vouchers	14.871
Dollar threshold to distinguish between Type A and Type B programs	\$ 611,871
Auditee qualified as low risk auditee?	yes
Section II - Financial Statement Findings	no
Section III - Federal Award Findings	no

PHA: CA062 FYED: 06/30/2005

Line Item No.	Account Description	Rent Supplements_Housing for Lower Income Families	N/C S/R Section 8 Programs	Low Rent Public Housing	Housing Choice Vouchers	Public Housing Capital Fund Program	State/Local	Total
111	Cash - Unrestricted	\$106,684	\$153,595	\$67,460	\$198,269	\$0	\$1,320,053	\$1,846,061
112	Cash - Restricted - Modernization and Development	\$0	\$1,652,156	\$0	\$0	\$0	\$0	\$1,652,156
114	Cash - Tenant Security Deposits	\$0	\$150,481	\$41,845	\$0	\$0	\$138,724	\$331,050
100	Total Cash	\$106,684	\$1,956,232	\$109,305	\$198,269	\$0	\$1,458,777	\$3,829,267
125	Accounts Receivable - Miscellaneous	\$0	\$0	\$0	\$41,641	\$0	\$97,693	\$139,334
126	Accounts Receivable - Tenants - Dwelling Rents	\$0	\$12,262	\$11,357	\$0	\$0	\$24,943	\$48,562
126.1	Allowance for Doubtful Accounts - Dwelling Rents	\$0	\$0	\$0	\$0	\$0	\$-8,938	\$-8,938
126.2	Allowance for Doubtful Accounts - Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0
129	Accrued Interest Receivable	\$0	\$1,761	\$778	\$6,767	\$0	\$23,442	\$32,748
120	Total Receivables, net of allowances for doubtful accounts	\$0	\$14,023	\$12,135	\$48,408	\$0	\$137,140	\$211,706
131	Investments - Unrestricted	\$0	\$230,890	\$141,768	\$1,232,204	\$0	\$1,953,708	\$3,558,570
142	Prepaid Expenses and Other Assets	\$0	\$28,997	\$8,886	\$3,998	\$0	\$22,186	\$64,067
143	Inventories	\$0	\$0	\$0	\$0	\$0	\$6,198	\$6,198
143.1	Allowance for Obsolete Inventories	\$0	\$0	\$0	\$0	\$0	\$0	\$0
144	Interprogram Due From	\$0	\$0	\$254,401	\$0	\$0	\$1,099,956	\$1,354,357
150	Total Current Assets	\$106,684	\$2,230,142	\$526,495	\$1,482,879	\$0	\$4,677,965	\$9,024,165
161	Land	\$0	\$2,363,925	\$791,100	\$0	\$0	\$4,591,407	\$7,746,432
162	Buildings	\$0	\$14,639,611	\$8,044,871	\$0	\$0	\$7,244,727	\$29,929,209
163	Furniture, Equipment & Machinery - Dwellings	\$0	\$77,111	\$29,293	\$42,642	\$0	\$51,942	\$200,988
166	Accumulated Depreciation	\$0	\$-5,616,655	\$-3,120,893	\$-37,643	\$0	\$-3,268,684	\$-12,043,875
160	Total Fixed Assets, Net of Accumulated Depreciation	\$0	\$11,463,992	\$5,744,371	\$4,999	\$0	\$8,619,392	\$25,832,754
171	Notes, Loans, & Mortgages Receivable - Non Current	\$0	\$0	\$0	\$0	\$0	\$243,109	\$243,109
180	Total Non-Current Assets	\$0	\$11,463,992	\$5,744,371	\$4,999	\$0	\$8,862,501	\$26,075,863
190	Total Assets	\$106,684	\$13,694,134	\$6,270,866	\$1,487,878	\$0	\$13,540,466	\$35,100,028

PHA: CA062 FYED: 06/30/2005

Line Item No.	Account Description	Rent Supplements_Rental Housing for Lower Income Families	N/C S/R Section 8 Programs	Low Rent Public Housing	Housing Choice Vouchers	Public Housing Capital Fund Program	State/Local	Total
312	Accounts Payable <= 90 Days	\$0	\$31,413	\$26,727	\$14,754	\$0	\$34,357	\$107,251
322	Accrued Compensated Absences - Current Portion	\$0	\$22,213	\$11,336	\$20,528	\$0	\$22,519	\$76,596
325	Accrued Interest Payable	\$0	\$0	\$0	\$0	\$0	\$133,010	\$133,010
331	Accounts Payable - HUD PHA Programs	\$38,236	\$0	\$0	\$1,474,532	\$0	\$0	\$1,512,768
333	Accounts Payable - Other Government	\$0	\$0	\$0	\$0	\$0	\$22,161	\$22,161
341	Tenant Security Deposits	\$0	\$148,073	\$41,845	\$0	\$0	\$139,570	\$329,488
342	Deferred Revenues	\$0	\$30,283	\$3,235	\$0	\$0	\$0	\$33,518
343	Current Portion of Long-term Debt - Capital Projects/Mortgage Revenue Bonds	\$0	\$214,402	\$0	\$0	\$0	\$51,967	\$266,369
347	Interprogram Due To	\$0	\$41,679	\$0	\$1,312,678	\$0	\$0	\$1,354,357
310	Total Current Liabilities	\$38,236	\$488,063	\$83,143	\$2,822,492	\$0	\$403,584	\$3,835,518
351	Long-term Debt, Net of Current - Capital Projects/Mortgage Revenue Bonds	\$0	\$12,480,251	\$0	\$0	\$0	\$4,885,863	\$17,366,114
354	Accrued Compensated Absences - Non Current	\$0	\$21,278	\$10,859	\$19,662	\$0	\$21,570	\$73,369
350	Total Noncurrent Liabilities	\$0	\$12,501,529	\$10,859	\$19,662	\$0	\$4,907,433	\$17,439,483
300	Total Liabilities	\$38,236	\$12,989,592	\$94,002	\$2,842,154	\$0	\$5,311,017	\$21,275,001
508	Total Contributed Capital	\$0	\$0	\$0	\$0	\$0	\$0	\$0
508.1	Invested in Capital Assets, Net of Related Debt	\$0	\$-1,230,661	\$5,744,371	\$4,999	\$0	\$3,681,562	\$8,200,271
511	Total Reserved Fund Balance	\$0	\$0	\$0	\$0	\$0	\$0	\$0
511.1	Restricted Net Assets	\$0	\$1,652,156	\$0	\$0	\$0	\$0	\$1,652,156
512.1	Unrestricted Net Assets	\$68,448	\$283,047	\$432,493	\$-1,359,275	\$0	\$4,547,887	\$3,972,600
513	Total Equity/Net Assets	\$68,448	\$704,542	\$6,176,864	\$-1,354,276	\$0	\$8,229,449	\$13,825,027
600	Total Liabilities and Equity/Net Assets	\$106,684	\$13,694,134	\$6,270,866	\$1,487,878	\$0	\$13,540,466	\$35,100,028

PHA: CA062 FYED: 06/30/2005

Line Item No.	Account Description	Rent Supplements_Rental Housing for Lower Income Families	N/C S/R Section 8 Programs	Low Rent Public Housing	Housing Choice Vouchers	Public Housing Capital Fund Program	State/Local	Total
703	Net Tenant Rental Revenue	\$0	\$1,461,684	\$590,395	\$0	\$0	\$896,882	\$2,948,961
704	Tenant Revenue - Other	\$0	\$31,459	\$15,591	\$0	\$0	\$9,611	\$56,661
705	Total Tenant Revenue	\$0	\$1,493,143	\$605,986	\$0	\$0	\$906,493	\$3,005,622
706	HUD PHA Operating Grants	\$167,962	\$426,129	\$90,917	\$18,928,431	\$230,048	\$461,136	\$20,304,623
708	Other Government Grants	\$0	\$552,204	\$0	\$0	\$0	\$1,500,969	\$2,053,173
711	Investment Income - Unrestricted	\$0	\$9,432	\$3,458	\$10,609	\$0	\$32,927	\$56,426
714	Fraud Recovery	\$0	\$0	\$0	\$8,775	\$0	\$0	\$8,775
715	Other Revenue	\$0	\$31,531	\$3,890	\$46,245	\$0	\$270,263	\$351,929
720	Investment Income - Restricted	\$0	\$0	\$0	\$0	\$0	\$0	\$0
700	Total Revenue	\$167,962	\$2,512,439	\$704,251	\$18,994,060	\$230,048	\$3,171,788	\$25,780,548

PHA: CA062 FYED: 06/30/2005

Line Item No.	Account Description	Rent Supplements_Housing for Lower Income Families	N/C S/R Section 8 Programs	Low Rent Public Housing	Housing Choice Vouchers	Public Housing Capital Fund Program	State/Local	Total
911	Administrative Salaries	\$0	\$290,152	\$154,468	\$691,503	\$0	\$315,137	\$1,451,260
912	Auditing Fees	\$0	\$3,185	\$1,470	\$17,150	\$0	\$2,695	\$24,500
914	Compensated Absences	\$0	\$4,716	\$2,792	\$34,777	\$0	\$25,459	\$16,826
915	Employee Benefit Contributions - Administrative	\$0	\$77,415	\$53,158	\$220,519	\$0	\$128,639	\$479,731
916	Other Operating - Administrative	\$0	\$86,241	\$56,618	\$260,346	\$0	\$137,665	\$540,870
921	Tenant Services - Salaries	\$0	\$23,919	\$14,250	\$7,556	\$0	\$22,797	\$68,522
923	Employee Benefit Contributions - Tenant Services	\$0	\$9,985	\$5,111	\$2,250	\$0	\$6,899	\$24,245
924	Tenant Services - Other	\$0	\$592	\$34,584	\$832	\$0	\$742	\$36,750
931	Water	\$0	\$55,339	\$40,450	\$854	\$0	\$39,880	\$136,523
932	Electricity	\$0	\$52,085	\$14,050	\$7,094	\$0	\$45,364	\$118,593
933	Gas	\$0	\$15,896	\$1,974	\$1,159	\$0	\$29,842	\$48,871
938	Other Utilities Expense	\$0	\$48,719	\$49,866	\$239	\$0	\$45,291	\$144,115
941	Ordinary Maintenance and Operations - Labor	\$0	\$292,627	\$46,749	\$8,518	\$82,000	\$295,235	\$725,129
942	Ordinary Maintenance and Operations - Materials and Other	\$0	\$66,666	\$32,576	\$4,405	\$0	\$61,573	\$165,220
943	Ordinary Maintenance and Operations - Contract Costs	\$0	\$326,515	\$90,596	\$17,409	\$148,048	\$328,203	\$910,771
945	Employee Benefit Contributions - Ordinary Maintenance	\$0	\$119,818	\$43,958	\$2,250	\$0	\$79,337	\$245,363
952	Protective Services - Other Contract Costs	\$0	\$44,274	\$71,064	\$19,000	\$0	\$55,662	\$190,000
961	Insurance Premiums	\$0	\$70,766	\$17,463	\$8,843	\$0	\$42,028	\$139,100
962	Other General Expenses	\$1,235	\$48,136	\$0	\$46,245	\$0	\$68,333	\$163,949
964	Bad Debt - Tenant Rents	\$0	\$0	\$0	\$0	\$0	\$8,938	\$8,938
967	Interest Expense	\$0	\$637,706	\$0	\$0	\$0	\$266,960	\$904,666
969	Total Operating Expenses	\$1,235	\$2,265,320	\$725,613	\$1,281,395	\$230,048	\$2,006,679	\$6,510,290
970	Excess Operating Revenue over Operating Expenses	\$166,727	\$247,119	\$-21,362	\$17,712,665	\$0	\$1,165,109	\$19,270,258
971	Extraordinary Maintenance	\$0	\$47,417	\$284,308	\$0	\$0	\$16,020	\$347,745
973	Housing Assistance Payments	\$136,851	\$0	\$0	\$17,536,187	\$0	\$435,380	\$18,108,418
974	Depreciation Expense	\$0	\$376,863	\$206,045	\$3,755	\$0	\$189,443	\$776,106
900	Total Expenses	\$138,086	\$2,689,600	\$1,215,966	\$18,821,337	\$230,048	\$2,647,522	\$25,742,559
1010	Total Other Financing Sources (Uses)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1000	Excess (Deficiency) of Operating Revenue Over (Under) Expenses	\$29,876	\$-177,161	\$-511,715	\$172,723	\$0	\$524,266	\$37,989

PHA: CA062 FYED: 06/30/2005

Line Item No.	Account Description	Rent Supplements_Rental Housing for Lower Income Families	N/C S/R Section 8 Programs	Low Rent Public Housing	Housing Choice Vouchers	Public Housing Capital Fund Program	State/Local	Total
1102	Debt Principal Payments - Enterprise Funds	\$0	\$352,332	\$0	\$0	\$0	\$0	\$352,332
1103	Beginning Equity	\$38,572	\$1,431,491	\$6,688,579	\$-1,526,999	\$0	\$7,155,395	\$13,787,038
1104	Prior Period Adjustments, Equity Transfers and Correction of Errors	\$0	\$-549,788	\$0	\$0	\$0	\$549,788	\$0
1113	Maximum Annual Contributions Commitment (Per ACC)	\$0	\$0	\$0	\$11,835,735	\$0	\$0	\$11,835,735
1114	Prorata Maximum Annual Contributions Applicable to a Period of less than Twelve Months	\$0	\$0	\$0	\$8,836,392	\$0	\$0	\$8,836,392
1115	Contingency Reserve, ACC Program Reserve	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1116	Total Annual Contributions Available	\$0	\$0	\$0	\$20,672,127	\$0	\$0	\$20,672,127
1120	Unit Months Available	360	2,832	1,428	19,600	0	2,436	26,656
1121	Number of Unit Months Leased	360	2,797	1,416	18,852	0	2,404	25,829

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Date Submission Created: 09/08/2005

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Housing Authority of the City of Alameda

701 Atlantic Avenue - Alameda, California 94501-2161 - Tel: (510) 747-4300 - Fax: (510) 522-7848 - TDD: (510) 522-8467

Date: December 21, 2005

To: Honorable Chair and Members
of the Board of Commissioners

From: Debra Kurita
Chief Executive Officer

Re: Resolving to Revise the Rules and Procedures of the Housing Authority to
Include Provisions for the Tenant Commissioner

Background:

On January 4, 2000, the Board of Commissioners adopted Resolution No. 721.6 adding a resident member position to the governing body of the Housing Authority (Exhibit A). This Tenant Commissioner was added to comply with what was then a recent change in federal law, Section 505 of the Quality Housing and Work Responsibility Act, which requires that the membership of a board of directors or similar governing body of a public housing agency shall contain not less than one member who is directly assisted by the public housing agency.

The Rules and Procedures of the Housing Authority (i.e., By-Laws) govern the operations of the Housing Authority and its governing body. These Rules were not amended when the Tenant Commissioner was added.

Discussion:

The Rules and Procedures of the Housing Authority should be amended to include the position of Tenant Commissioner and to outline who is qualified for this position, how a person is appointed, the term, and duties. After several years of experience using the Resolution as guidance for this position, several issues have arisen that need to be addressed. A single four-year term was included in the resolution. Legal opinion is that the term should be as equivalent as possible to the other members of the Board of Commissioners. As such, the Tenant Commissioner should be able to serve two consecutive four-year terms. Limiting the voting rights of the Tenant Commissioner to public housing and Section 8 issues is impractical. For example, the Housing Authority's budget would have to be adopted in two separate actions, one that allowed for the Tenant Commissioners vote on the budget for Esperanza and Section 8 portions of the budget and another action, excluding the Tenant Commissioner, for all other funds that make up the Housing Authority budget.

Staff recommends inserting the following sections, renumbering other sections as appropriate, in the Rules and Procedures to address the concerns outlined above:

Report 3-A
1-3-06

Section 4. Tenant Commissioner. The Tenant Commissioner shall be a public housing tenant or a participant of the Section 8 Housing Choice Voucher Program as required under federal legislation (i.e., Section 505 of the Quality Housing and Work Responsibility Act) and whose appointment and duties are further described in Section 9.

Section 9. Appointment and Duties of the Tenant Commissioner. The Chair may nominate and the members of the Board of Commissioners who make up the City Council of the City of Alameda will appoint the Tenant Commissioner. The Tenant Commissioner also may perform the duties of the Housing Commission's tenant commissioner.

The Tenant Commissioner shall serve four-year terms. The number of terms is two complete consecutive terms.

The Tenant Commissioner shall continue to serve a full term with the following exceptions:

1. Expiration of term and appointment of a successor.
2. Voluntary resignation.
3. Absence from two (2) consecutive regular meetings without consent of the Chair.
4. Absence from three (3) regular meetings in a six-month period.
5. No longer a public housing tenant or Section 8 Housing Choice Voucher holder within the jurisdiction of Alameda.

The Tenant Commissioner shall constitute a sixth member of the governing body of the Housing Authority and may participate in all matters before that body.

Changes to the Rules and Procedures are made by resolution. The proposed resolution is attached (Exhibit B).

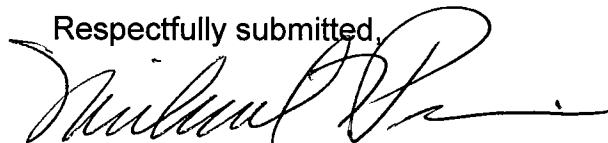
Policy Document Reference:

Article V, Section 1, of the Rules and Procedures of the Housing Authority provide for amending the Rules and Procedures by majority vote.

Recommendation:

Resolve to revise the Rules and Procedures of the Housing Authority to provide for the qualifications, appointment, term, and duties of the Tenant Commissioner.

Respectfully submitted,



Michael T. Pucci
Executive Director

MTP:ED
Attachments

HOUSING AUTHORITY OF THE CITY OF ALAMEDA

Resolution No. 721.6

ADDING A RESIDENT MEMBER POSITION TO THE GOVERNING BODY OF THE HOUSING AUTHORITY OF THE CITY OF ALAMEDA

WHEREAS, by City Council Resolution No. 9522, and pursuant to state enabling legislation, the City Council declared itself as the governing body of the Housing Authority of the City of Alameda, comprising a five-member Board of Commissioners of the Housing Authority of the City of Alameda; and

WHEREAS, a recent change in federal law--Section 505 of the Quality Housing and Work Responsibility Act--requires that the membership of a board of directors or similar governing body of a public housing agency shall contain not less than one member who is directly assisted by the public housing agency; and

WHEREAS, the Department of Housing and Urban Development ("HUD") recently adopted its final rule (24 CFR 964) implementing Section 505 of the Quality Housing and Work Responsibility Act, requiring that the governing body of a public housing agency contain at least one "qualified resident board member," defined by the rule as a person 1) over 18 years old, 2) receiving direct assistance from the Housing Authority and 3) whose name appears on a current lease with the Housing Authority; and

WHEREAS, the Board of Commissioners of the Housing Authority has determined that, in compliance with federal requirements, a tenant member of the Housing Commission who is a "qualified resident" should be appointed to the Board of Commissioners, and that the resulting governing body shall be a six-member governing body for all matters involving Federal public housing assistance and Section 8 tenant-based assistance.

NOW THEREFORE, the Board of Commissioners of the Housing Authority of the City of Alameda resolves that:

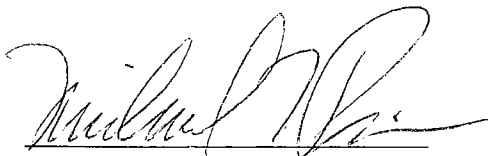
1) A tenant member of the Housing Commission who is a "qualified resident" (i.e., is over 18 years of age, currently receiving assistance from the Housing Authority and who is named as a lessee of the Housing Authority) may be appointed by the Board of Commissioners of the Housing Authority to serve as a sixth member of the Board of Commissioners of the Housing Authority; or, if no tenant member of the Housing Commission is a "qualified resident," then the Board of Commissioners may appoint a qualified resident nominated by the Chair (Mayor); and

2) The resident Board member shall serve a single four-year term of office, measured from the time of appointment;

3) The resident Board member shall constitute a sixth member of the governing body of the Housing Authority, and may participate in all matters regarding Federal public housing and Section 8 tenant-based assistance.

* * * * *

ATTEST:

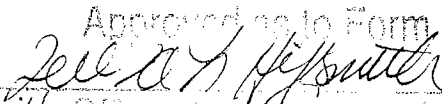


Michael T. Pucci
Executive Director



Ralph Appezato, Chair
Board of Commissioners

Adopted: January 4, 2000

Approved as to Form

Jill A. H. Pfeiffer
Asst. General Counsel

HOUSING AUTHORITY OF THE CITY OF ALAMEDA

Resolution No. ____

REVISING THE RULES AND PROCEDURES
OF THE HOUSING AUTHORITY OF THE CITY OF ALAMEDA

WHEREAS, the Housing Authority of the City of Alameda requires Rules and Procedures to guide the operation and deliberation of the Board of Commissioners of the Housing Authority; and

WHEREAS, the Quality Housing and Work Responsibility Act requires that the membership of the Board of Commissioners contain not less than one member who is directly assisted by the public housing agency; and

WHEREAS, the Board of Commissioners adopted Resolution No. 721.6 on January 4, 2000, establishing the qualifications for the resident board member to the Board of Commissioners as required by federal law; and

WHEREAS, the Tenant Commissioner's qualifications, term, and duties should be delineated in the Rules and Procedures of the Housing Authority.

NOW THEREFORE, the Board of Commissioners of the Housing Authority of the City of Alameda resolves that the attached Rules and Procedures of the Housing Authority of the City of Alameda be adopted, superceding all previous versions.

ATTEST:

Michael T. Pucci
Executive Director/Secretary

Beverly Johnson, Chair
Board of Commissioners

Adopted: _____
Date

Approved as to Form
[Signature]
Asst. GENERAL COUNSEL

**RULES AND PROCEDURES
OF THE
HOUSING AUTHORITY OF THE CITY OF ALAMEDA, CALIFORNIA**

ARTICLE I - THE AUTHORITY

Section 1. Name of the Authority. The name of the Authority shall be Housing Authority of the City of Alameda."

Section 2. Seal of Authority. The seal of the Authority shall be in the form of a circle and shall bear the name of the Authority and the year of its organization.

Section 3. Office of Authority. The offices of the Authority shall be at a location designated by the Authority, in the City of Alameda, State of California. The Authority shall hold its meetings in the City of Alameda City Council Chamber.

Section 4. Responsibilities of Authority. The responsibilities of the Authority are delineated in Housing Authority Law of the State of California.

ARTICLE II - OFFICERS

Section 1. Officers. The officers of the Authority shall be a Chair, a Vice Chair and Secretary.

Section 2. Chair. The Chair shall be the Mayor of the City of Alameda who shall preside at all meetings of the Authority. Except as otherwise authorized by the Authority, the Chair shall sign all contracts, deeds and other instruments approved by the Authority.

Section 3. Vice Chair. The Vice Chair shall be the Vice Mayor of the City of Alameda who shall perform the duties of the Chair in the absence or incapacity of the Chair; and in case of the resignation or death of the Chair, the Vice Chair shall perform such duties as are imposed on the Chair until such time as the Authority shall select a new Chair.

Section 4. Tenant Commissioner. The Tenant Commissioner shall be a public housing tenant or a participant of the Section 8 Housing Choice Voucher Program as required under federal legislation (i.e., Section 505 of the Quality Housing and Work Responsibility Act) and whose appointment and duties are further described in Section 9.

Section 5. Secretary. The Secretary shall be the Executive Director of the Authority.

Section 6. Chief Executive Officer. The Chief Executive Officer of the Authority shall be the City Manager of the City of Alameda. The Chief Executive Officer or

RULES AND PROCEDURES OF THE HOUSING AUTHORITY

Page 2

designee shall be directly responsible to the Commissioners of the Authority and responsible for the execution of the Authority's policies. Under the direction of the Authority, the Chief Executive Officer shall appoint an Executive Director who shall perform the duties and have the responsibilities set forth in Section 7, and who shall serve at the pleasure of the Chief Executive Officer.

Section 7. Executive Director. The Executive Director and Secretary to the Authority, subject to the direction of the Chief Executive Officer or designee, shall: (1) plan, organize, coordinate, review and administer through management staff all Housing Authority programs and activities; (2) supply the Commissioners of the Authority with information and recommendations necessary to carry out the purposes of the Authority and to administer properly its affairs; (3) provide for the care and custody of all funds, authorize payrolls, sign all orders and checks and keep regular books of accounts and financial records; (4) prepare the agendas for and keep minutes of all meetings and hearings of the Authority; (5) keep the records and the Seal of the Authority; and (7) perform other duties as may from time to time be prescribed by the Chief Executive Officer.

Section 8. General Counsel. The Authority shall contract with the City Attorney of the City of Alameda or City Attorney designee to serve as General Counsel to the Housing Authority. The General Counsel shall be the chief legal officer of the Authority and shall be responsible for preparing or approving all proposed resolutions, rules, contracts, bonds and other legal papers for the Authority and shall endorse approval as to form. The General Counsel shall give advice or opinions in writing to the Board of Commissioners whenever requested to do so. The General Counsel shall attend to all suits and other matters to which the Authority is a part or in which the Authority may be legally interested and do such things pertaining the General Counsel's office as the Board of Commissioners may request. The General Counsel shall have the power and duty to:

1. Obtain consent of the Board of Commissioners of the Housing Authority or the Executive Director prior to initiating litigation;
2. Employ special legal counsel, as may be deemed necessary, provided that there are budgeted funds, and otherwise seek authorization to employ special legal counsel; and
3. Settle, compromise or discuss any litigation or claims of \$15,000 or less.

Independent counsel also may be employed as outlined in Section 10 where a conflict arises or as may be deemed necessary by the Chief Executive Officer.

Section 9. Appointment and Duties of the Tenant Commissioner. The Chair may nominate and the members of the Board of Commissioners who make up the City Council of the City of Alameda will appoint the Tenant Commissioner. The Tenant Commissioner also may perform the duties of the Housing Commission's tenant commissioner.

The Tenant Commissioner shall serve four-year terms. The number of terms is two complete consecutive terms.

RULES AND PROCEDURES OF THE HOUSING AUTHORITY

Page 3

The Tenant Commissioner shall continue to serve a full term with the following exceptions:

1. Expiration of term and appointment of a successor.
2. Voluntary resignation.
3. Absence from two (2) consecutive regular meetings without consent of the Chair.
4. Absence from three (3) regular meetings in a six-month period.
5. No longer a public housing tenant or Section 8 Housing Choice Voucher holder within the jurisdiction of Alameda.

The Tenant Commissioner shall constitute a sixth member of the governing body of the Housing Authority and may participate in all matters before that body.

Section 10. Additional Duties. The officers of the Authority shall perform such other duties and functions as may from time to time be required by the Authority or the bylaws or rules and regulations of the Authority.

Section 11. Additional Personnel. The Authority may from time to time employ such personnel as it deems necessary to exercise its powers, duties and functions as prescribed by the Housing Authority Law of California and all other applicable laws of the State of California. The selection and compensation of such personnel (including Secretary) shall be determined by the Authority subject to the laws of the State of California.

Section 12. Contracts for Personnel Services. The Authority may satisfy its personnel and management requirements through direct hiring, contracts with the City of Alameda and contracts with individuals.

ARTICLE III - MEETINGS

Section 1. Regular Meetings. Regular meetings shall be held at the regular meeting place of the Authority at 7:25 p.m. on the first Tuesday of January, April, July and October, unless the same shall be a legal holiday, in which event said meeting shall be held on the next succeeding secular day.

Section 2. Special Meetings. Special meetings may be called by the Chair or by two Commissioners for the purpose of transacting any business set forth in the notice of such special meeting. Notice of special meeting shall be mailed to each Commissioner as required by law.

January 2006

RULES AND PROCEDURES OF THE HOUSING AUTHORITY

Page 4

ARTICLE IV - ACTIONS

Section 1. Majority Vote. The actions of the Authority shall be made by a vote of the majority of the membership.

Section 2. Form of Action. The Authority may act by motion or resolution. All motions shall be recorded in the minutes verbatim. All resolutions shall be in writing and the title shall be recorded verbatim in the minutes as well as the vote.

Section 3. Rules of Order. Rules of order of the Authority shall be those adopted by the City Council of the City of Alameda for its meetings.

ARTICLE V - MISCELLANEOUS

Section 1. Amendment. These rules and procedures may be amended by majority vote.

Section 2. Repeal. All other rules and procedures are hereby repealed.

Proclamation

- Whereas,*** Volunteer Blood Donor Month has been declared nationally since 1970 to help ensure an adequate blood supply and to stress the importance of giving the "Gift of Life" through the donation of blood; and
- Whereas,*** Volunteer Blood Donor Month is a month-long observance that shows us that donating blood is a simple, safe, life-saving and selfless gift that millions of Americans can do; and
- Whereas,*** Volunteer Blood Donor Month makes us aware that every day blood is needed in hospitals and emergency treatment facilities for patients with cancer and other diseases, for organ transplant recipients, and to save the lives of accident victims; and
- Whereas,*** Volunteer Blood Donor Month addresses the need for constant replenishment of blood, especially during the winter months when blood is traditionally in short supply due to a reduction in donor turnout because of the holidays, busy travel schedules, inclement weather and illness, which can put blood inventory at a critical low; and
- Whereas,*** Volunteer Blood Donor Month helps us understand that sixty percent of the US population is eligible to donate blood but only about five percent do, contributing an annual total of about 15 million units, that in turn are transfused to approximately four million patients; and
- Whereas,*** in Northern California, the American Red Cross provides 130,000 units of blood per year for the protection of patients, and there is a need for additional healthy, regular volunteer donors to join the ranks of those who already give of themselves so generously;

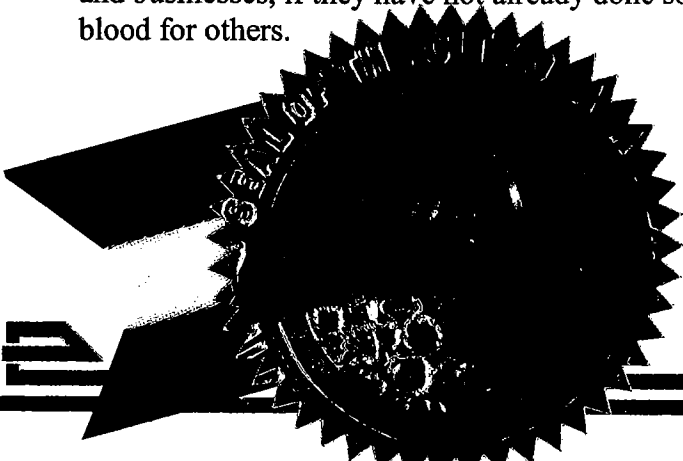
Now therefore, I, Beverly Johnson, Mayor of the City of Alameda, hereby proclaim the month of January, 2006 as

Volunteer Blood Donor Month

and ask all citizens to pay tribute to those among us who donate for others in need. I also ask citizens in good health to donate regularly and ask all civic and service organizations and businesses, if they have not already done so, to form blood donor groups to provide blood for others.

Beverly J. Johnson
Mayor

**Proclamation 3-A
1-3-06**



CITY OF ALAMEDA

Memorandum

To: Honorable Mayor and
Councilmembers

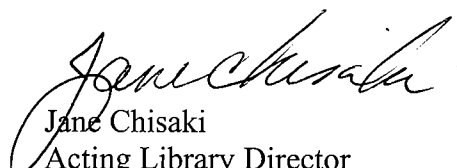
From: Debra Kurita
City Manager

Date: December 21, 2005

Re: New Main Library Project Update

Attached to this memorandum is the January 1, 2006 Library Construction Report.

Respectfully submitted,



Jane Chisaki
Acting Library Director

Attachment

Report 3-B
1-3-06

Library Construction Report

January 1, 2006

Construction

- The Library webcam will operate throughout the project. It is available on the Library's and the City's websites.
- Notice to Proceed was issued on March 14, with substantial completion scheduled for September 5, 2006.
- AP&T utility under grounding was completed on December 5, 2005.
- First floor Overhead Mechanical, Fire, and Plumbing (MFP) was completed on November 25th.
- Second floor Overhead Mechanical, Fire, and Plumbing (MFP) was begun on December 5th.
- Roofing installation was begun on December 1, 2005.
- Exterior brick installation has begun.
- Window installation has begun.
- The structure is scheduled to be weathertight by January 2006.
- The project remains on schedule.

Furnishings and Equipment Procurement

- Final selection process for FF&E has begun.

Library Move

- Planning process for move has begun.

Library Opening

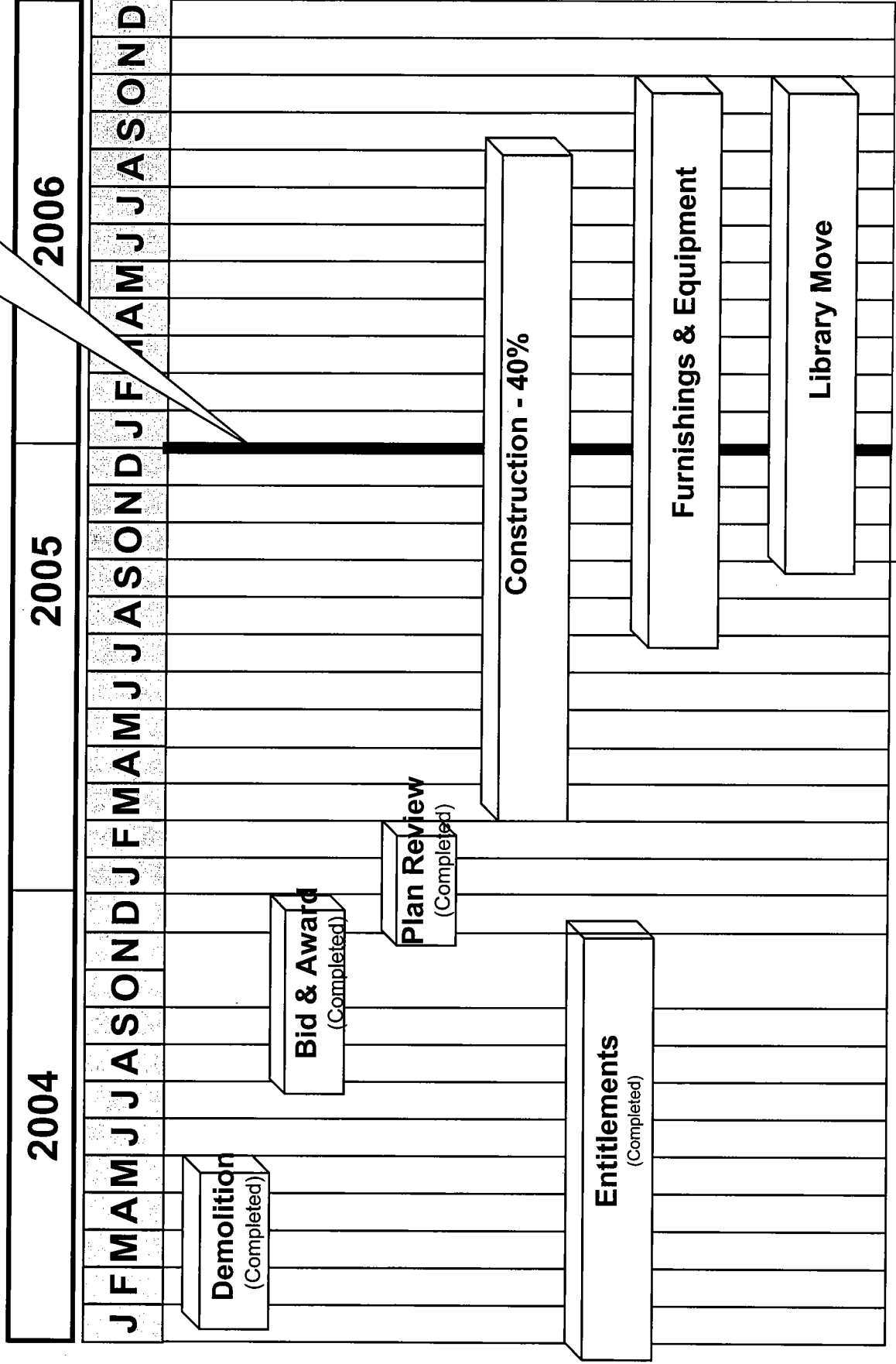
- The opening of the Main Library is tentatively scheduled for October 2006.
- The GRAND OPENING is now scheduled for November 2, 2006 at 11:00AM

Budget

- The budget report, including supplemental funding sources, is attached.

Library Project Timeline

Status as of
January 1, 2006



Budget for Alameda Free Library - New Main Library Project
Inception to date through the month of: November 2005

Sources of Budgeted Funds	Budget
State Grant	\$15,487,952.00
Measure O	8,000,000.00
Contributions	10,000.00
Supplemental Funding:	
Interest Earned on Measure O Funds	160,000.00
Stafford Bequest	745,297.00
Redevelopment Funding	2,000,000.00
Additional Measure O Funds	670,000.00
Alameda County Waste Management Grant	75,000.00
Recycled Content Grant from Public Works	20,000.00
Sources Subtotal:	27,168,249.00
Expenditures to date:	12,665,179.00
Balance Available:	14,503,070.00
Change Orders:	
Total contingency	1,740,000.00
Change orders to date ¹	(146,796.00)
Current change order	72,602.00
Revised contingency amount	1,665,806.00

¹Up to \$95,000 in grant funding will be used to offset this change order

UNAPPROVED MINUTES

MINUTES OF THE SPECIAL CITY COUNCIL MEETING
TUESDAY - - - DECEMBER 20, 2005 - - - 5:31 P.M.

Mayor Johnson convened the Special Meeting at 6:35 p.m.

Roll Call - Present: Councilmembers Daysog, deHaan, Gilmore,
Matarrese, and Mayor Johnson - 5.

Absent: None.

The Special Meeting was adjourned to Closed Session to consider:

(05-) Conference with Legal Counsel - Anticipated Litigation;
Significant exposure to litigation pursuant to subdivision (b) of
Section 54956.9; Number of cases: One.

(05-) Conference with Labor Negotiators - Agency Negotiators:
Marie Gilmore and Frank Matarrese; Employee: City Attorney.

Mayor Johnson called a recess to hold the Regular City Council
meeting at 7:30 p.m. and reconvened the Closed Session at 9:15 p.m.

Following the Closed Session, the Special Meeting was reconvened
and Mayor Johnson announced that regarding Conference with Legal
Counsel, the Council received a briefing from Legal Counsel;
regarding Conference with Labor Negotiators, the Council discussed
the City Attorney.

Adjournment

There being no further business, Mayor Johnson adjourned the
Special Meeting at 10:10 p.m.

Respectfully submitted,

Lara Weisiger
City Clerk

The agenda for this meeting was posted in accordance with the Brown
Act.

UNAPPROVED MINUTES

MINUTES OF THE REGULAR CITY COUNCIL MEETING

TUESDAY - - - - - DECEMBER 20, 2005 - - - - 7:30 P.M.

Mayor Johnson convened the Regular Meeting at 7:38 p.m.

ROLL CALL - Present: Councilmembers Daysog, deHaan, Gilmore, Matarrese, and Mayor Johnson - 5.

Absent: None.

AGENDA CHANGES

None.

PROCLAMATIONS, SPECIAL ORDERS OF THE DAY AND ANNOUNCEMENTS

None.

CONSENT CALENDAR

Mayor Johnson announced that the recommendation to accept the Quarterly Sales Tax Report [paragraph no. 05-_____], the recommendation to accept the Annual Review of fees [paragraph no. 05-_____], and the Resolution to Apply for a Bicycle Transportation Account Grant [paragraph no. 05-_____] were removed from the Consent Calendar for discussion.

Councilmember Matarrese moved approval of the remainder of the Consent Calendar.

Councilmember deHaan seconded the motion, which carried by unanimous voice vote - 5. Note: Vice Mayor Gilmore abstained from voting on the Special Joint City Council and Recreation and Park Commission Meeting.

[Items so enacted or adopted are indicated by an asterisk preceding the paragraph number.]

(*05-_____) Minutes of the Special Joint City Council and Recreation and Park Commission Meeting held on November 30, 2005, and the Special and Regular City Council Meetings held on December 6, 2005. Approved.

[Note: Vice Mayor Gilmore abstained from voting on the Special Joint City Council and Recreation and Park Commission Meeting.

(*05-_____) Ratified bills in the amount of \$2,152,381.22.

(05-) Recommendation to accept the Quarterly Sales Tax Report for the period ending September 30, 2005, for sales transactions in the second calendar quarter of 2005.

Councilmember deHaan stated that there has been a drastic 16.5% reduction in tax revenue generation; requested a forecast for the upcoming quarters.

The Finance Director stated that the sales tax consultant advised her that sales tax receipts were not reported for the transportation and business-to-business categories during the third quarter; the non-reporting occurred throughout the State; sales tax receipts should be reported in the next quarterly report for businesses headquartered in the southeast Gulf area; the report should be received the first part of January.

Councilmember deHaan stated there was an 80% reduction in the commercial production, an overall 21.8% reduction in business-to-business, and retail dropped 16.5%; inquired what attributed to the 16.5% reduction in retail.

The Finance Director stated that the reported geographic areas show downturns on Park Street and Webster Street as well as areas south of Lincoln Avenue; the decline could be attributed to construction activity as well as businesses coming in and out; stated that one, specific business was not inordinately impacted; impacts were across the board.

Councilmember deHaan inquired whether the sales tax for the area north of Lincoln Avenue dropped immensely because of the economy.

The Finance Director stated that she did not know why there was a decline in the area; under-reporting could have occurred.

Mayor Johnson requested more information on under-reporting.

The Finance Director stated that reports were late in coming to California for some businesses such as a multi-state business headquartered in Mississippi.

Mayor Johnson inquired when the report would be available, to which the Finance Director responded the first part of January.

Mayor Johnson requested an update when the final figures are received from the State.

The Finance Director stated that the figures would be included in

the next quarterly report.

Mayor Johnson requested that the update be provided in January.

Councilmember deHaan stated that a trend could be developing which could have a major impact on the overall budget and general funds; inquired whether adjustments could be made to put the money into the right quarter.

The Finance Director responded in the negative.

Councilmember deHaan inquired what was the forecast.

The Finance Director responded that the forecast looks on target but would need to be reviewed after the next quarterly report.

Councilmember Daysog requested background data on comparing second quarter 1999 to second 2004.

The Finance Director stated data is available.

Mayor Johnson requested an analysis be provided every six months; stated that businesses have suffered during the construction process; the goal of economic development is to generate more revenue; the Bay Area experienced a 2.3% growth and there was a 4.5% growth Statewide; Alameda is not keeping up; redevelopment projects should help increase revenue in Alameda.

Councilmember Daysog stated that he would not be surprised that construction along Webster Street and Park Street influenced the downturn.

Councilmember deHaan requested that the analysis be provided every quarter with an eye on the forecast; stated that he could not pinpoint any particular reason for the decline; a decline appeared in areas that were not under construction.

Councilmember deHaan moved approval of the staff recommendation.

Vice Mayor Gilmore seconded the motion, which carried by unanimous voice vote - 5.

(*05-) Recommendation to appropriate in the General Fund the 2005-2006 Citizen's Option for Public Safety Program (COPS AB 3229) Grant Funding to supplement frontline police services. Accepted.

(*05-) Recommendation to award Contract in the amount of \$386,969.05 to Libramation, Inc. for a Materials Security Inventory

System including five years of maintenance for the Alameda Free Library. Accepted.

(05-) Recommendation to accept the Annual Review of the Citywide Development Fee and the Fleet Industrial Supply Center Catellus Traffic Fee.

Councilmember Matarrese stated that the Work/Live developer fees were listed under residential units in the report and should be listed under commercial units.

The City Manager stated that the correction would be made to the report.

Councilmember Matarrese moved approval of the staff recommendation with a correction to list the Work/Live Citywide Development Fee (CDF) under commercial [non-residential building space] instead of residential.

Councilmember deHaan seconded the motion, which carried by unanimous voice vote - 5.

(*05-) Recommendation to appropriate \$49,000 from San Francisco Bay Conservation and Development Commission (BCDC) Grant and \$21,930 in Urban Runoff Funds for removal of existing dock and placement of riprap adjacent to Bridgeside Center Project, No. P.W. 10-05-01. Accepted.

(*05-) Recommendation to appropriate \$40,000 in Measure B Funds, adopt plans and specifications, and award a Contract in the amount of \$87,000, including contingency, to Richard Heaps Electric, Inc., for Pole-Mounted Radar Speed Display Signs Project, No. P.W. 06-05-05. Accepted.

(05-) Resolution No. 13914, "Applying for a Bicycle Transportation Account Grant to Enhance the North Approach to the Bay Farm Island Bicycle Bridge, Appropriating Measure B Funds as Local Match, and Authorizing the Public Works Director to Execute all Necessary Grant Documents." Adopted.

Councilmember deHaan stated that the bicycle route is the primary force in applying for the grant; inquired whether approved, solid plans are in place.

The Public Works Director responded detailed plans are not in place; an illustration has been developed to provide a cost estimate; time would be spent on design after the grant is received.

Councilmember deHaan inquired what was the timing for applying for the grant, to which the Public Works Director responded by the end of the month.

Councilmember deHaan inquired whether specifics could be worked out later.

The Public Works Director responded that some granting agencies allow more flexibility than others; changing basic items such as limits and width might not be possible.

Mayor Johnson stated the bike path is important; many children ride bikes from Bay Farm Island to east end schools; inquired whether a more detailed grant application would place the City in a better position to receive the grant.

The Public Works Director responded that he did not think more detail was needed; the agency wants to have a basic description of the project and cost estimate; stated he would look into the matter; an explanation of the benefits is required.

Councilmember deHaan inquired whether the grant could be used for other projects, what is the scope of the project, and whether the public has been involved.

The Public Works Director stated that the Public Works Department does not have the money to pay for staff time until a project is identified; he assured a concerned resident that the loading and unloading zones at Lincoln Middle School would be preserved and that staff would meet with residents to seek input once the grant is received and there is a preliminary design.

Mayor Johnson inquired whether the improvement was part of the Master Bike Plan, to which the Public Works Director responded improvements in the area are included in the Master Bike Plan.

Councilmember deHaan inquired whether the Lincoln Middle School Safe Routes to School project had funding.

The Public Works Director responded the project received a grant; the same process is being followed for the proposed project whereby the City applied for the grant and then met with the school and the residents.

Councilmember deHaan inquired whether the two projects would dovetail together.

The Public Works Director responded that the two projects would blend together and build on each other; the Safe Routes to School project would come to the Council early next year; construction should start in the summer of 2006; the proposed project would follow.

Councilmember deHaan inquired whether the public process would be the same, to which the Public Works Director responded in the affirmative.

Councilmember deHaan stated that it is important that the two projects dovetail together and marry in the proper way.

The Public Works Director ensured that the two projects would work together.

Councilmember deHaan inquired whether the grant could be used for another project.

The Public Works Director responded that the grant is not portable; changes can be made based on constraints discovered while working on the design.

Councilmember deHaan inquired whether there were any other proposed bike projects that would require grants.

The Public Works Director responded that the proposed project is one of the higher rated projects in the Bike Master Plan.

Mayor Johnson stated that the proposed project was determined to be a top priority based upon the Bike Master Plan; requested that a process be established to allow the Council to prioritize projects which could receive grant funding; stated the area is dangerous and the proposed improvements are important.

Councilmember deHaan moved adoption of the Resolution with the caveat that the project be dovetailed together with the Safe Routes to School project.

The Public Works Director stated that the projects would have different schedules; the proposed project would fall behind the Safe Routes to School project.

Councilmember deHaan stated the problem needs to be cured in trying to get the children to school safely, mitigating on-going problems at Lincoln Middle School, and getting the community involved in both projects so that the decision has continuity.

Mayor Johnson inquired whether there were discussions regarding field space being taken away at Lincoln Middle School.

The Public Works Director responded the School District discussed the matter, not the City.

Mayor Johnson stated that the City received the grant; the Safe Routes to School project was very controversial; it would take a lot to convince her that there is a need to take open space away from schools; she was concerned about how much grant money was spent in considering whether field space should be taken away or not.

The Public Works Director stated that consideration for taking away open space was never envisioned and that staff did not discuss the matter in depth.

Councilmember deHaan stated that he would like to review the financial portion of the Safe Routes to School grant at a later date.

Councilmember Matarrese inquired whether both projects would be seamlessly executed when the grant was received, to which the Public Works Director responded in the affirmative.

Councilmember Matarrese seconded the motion, which carried by unanimous voice vote - 5.

(*05-) Resolution No. 19315, "Amending the Alameda City Employees Association (ACEA) Salary Schedule by Establishing the Salary Range for the Classification of Plan Check Engineer." Adopted.

(*05- A) Resolution No. 13916, "Amending the Management and Confidential Employees Association (MCEA) Salary Schedule by Establishing the Salary Ranges for the Classifications of Development Services Division Manager, Golf Services Manager, Golf Course Maintenance Superintendent, and Building Official." Adopted.

(*05- B) Resolution No. 13917, "Amending Exhibit A-1 of the Executive Management Compensation Plan Established by Council Resolution No. 13545 and Amended by Resolution Nos. 13626 and 13689, to Establish a Five-Day Workweek Alternative with Corresponding Salary Ranges for the Classifications of Assistant City Manager and Planning and Building Director." Adopted.

REGULAR AGENDA ITEMS

(05-) Recommendation to authorize a letter of welcome to Asuchio, El Salvador Civic Leaders.

Stewart Chen, Social Services Human Relations Board (SSHRB), stated that the Sister City workgroup was established a year ago to explore and expand Alameda's involvement in a global friendship movement; the community and St. Philip Neri's parish are interested in establishing a relationship with Asuchio, El Salvador; stated that an invitation to visit is the first step in formalizing a friendship.

Rob Bonta, SSHRB, stated the key to a successful relationship is having existing energy and support within the community; the goal is to establish a non-profit organization that is run by community members.

Mayor Johnson thanked Mr. Chen and Mr. Bonta for their hard work.

Councilmember Matarrese thanked Mr. Chen and Mr. Bonta for bringing the matter forward; stated traveling to Asuchio was rewarding to him; members in the audience have made trips to El Salvador; there is a good nucleus in gaining something for Alameda as well as Asuchio.

Councilmember Matarrese moved approval of the staff recommendation.

Councilmember deHaan seconded the motion with the caveat that he likes the idea of the City of Alameda having relations with a more needy city.

On the call for the question, the motion carried by unanimous voice vote - 5.

(05-) Consideration of a proposal for the City of Alameda, as a participant in the Alameda County Lead Poisoning Prevention Program, to partially fund a survey to be used in analyzing the feasibility of increasing the County Service Area fee for lead abatement education and services.

Mayor Johnson stated that representatives from the Joint Powers Authority (JPA) were present to answer any questions.

Councilmember Matarrese requested a better explanation regarding whether there was any legal problem in agreeing to ask only questions that directly relate to determining the viability of an increase in the fee to fund the Lead Program; stated the thrust of the last Council discussion was to only pay if the survey was restricted to lead-related questions.

Mayor Johnson agreed that the Council was looking for a commitment on the matter.

Mark Allen, Alameda County Lead Poisoning Prevention Program Board stated the will of the Authority was to establish the requirement in the Contract.

Mayor Johnson requested Mr. Allen to describe which Alameda programs would be facing funding reductions and which programs would be funded by the potential fee increase.

Mr. Allen stated cuts have already been implemented which would have a negative impact on Alameda; free risk assessments have been cut; the assessments were provided to the Housing Authority and Development Services Department for free over the past five years but now the City has to budget for the service; additional services at risk are: technical assistance to property owners with an identified lead poisoned child, free home renovation classes, reduction in the number of lead safe painting kits, and elimination of a one-day lead safe work practice workshop; stated the survey would indicate what fee the property owners or the general electorate would be willing to bear; a \$10 to \$15 increase might provide the cities with risk assessments.

Councilmember deHaan inquired what amount was being requested as Alameda's share.

Mr. Allen responded \$5,000; stated the City of Berkeley's share was \$10,000 and the City of Oakland's share was \$14,999; Alameda County and SEIU Local 616 contributed \$11,000 each; the City of Emeryville contributed \$3,000.

Councilmember deHaan inquired whether the consultant has been selected, to which Mr. Allen responded in the affirmative.

Councilmember deHaan inquired whether the County would go forward with the survey without the City's contribution.

Mr. Allen responded not necessarily; further discussion would be needed if one of the cities chose not to contribute; stated a Contract has not been signed.

Mayor Johnson inquired who would approve the Contract, to which Mr. Allen responded the Board of Directors.

Councilmember deHaan stated there was concern regarding the use of the data and whether the data would be public information.

Councilmember Matarrese stated the data could be used for anything if the data was public information.

Mr. Allen stated that some of the work product could be kept confidential; the final product would be public.

Councilmember Matarrese stated the County is a public entity and the data should be public.

Mayor Johnson stated the Contract would identify ownership.

Councilmember deHaan inquired whether other cities have expressed concern regarding ownership.

Mr. Allen responded other cities have agreed with the concerns raised by Alameda.

The City Attorney noted that the memorandum from the County stated that information collected would be subject to the Public Records Act.

Mayor Johnson stated the Authority would be subject to the Public Records Request Act but not the consultants.

The City Attorney stated the data should be publicly available.

Councilmember deHaan inquired whether the data could be provided to the participants.

Councilmember Matarrese stated there was concern that a consultant could ask a broad spectrum of questions, gain personal advantage in running a County survey, and use the data for something else; a condition should be that the data be published along with the report.

Mayor Johnson stated that some information has been provided on the election; inquired whether the Authority would pay for the election.

Mr. Allen responded that the election cost would be paid by the Authority as a straight charge from the fee.

Mayor Johnson inquired what would happen if the proposed assessment did not pass, to which Mr. Allen responded the cost would come out of the Authority's budget.

Mayor Johnson inquired what was the election cost estimate.

Mr. Allen responded the survey would determine the type of election; stated that Oakland paid \$125,000 to conduct a Fire Prevention Assessment District election; the election covered 25,000 households and was a mail ballot to the property owners; a countywide election would cost approximately \$1 per voter.

Mayor Johnson inquired how many households would be included in an election covering the existing households only, to which Mr. Allen responded considerably more than 25,000.

Mayor Johnson stated the cost is big for the Authority; inquired whether anything would prevent the Authority from legally paying for the election.

Mr. Allen responded in the negative; stated the survey would determine whether there is interest in entertaining a more in-depth discussion and strategy.

Councilmember Daysog stated that the report provided is very thin on JPA's budget problem; funding for supplementary services has been lost; services are cut when funding is lost; remaining funding is used to provide core services; people in Alameda feel overtaxed; more information should be given.

Mayor Johnson inquired whether Councilmember Daysog wanted more information on the cuts.

Councilmember Daysog responded that he would like more information on what happened to precipitate the need for money.

Mr. Allen stated that the County has gone through three budget processes identifying problems.

Councilmember deHaan inquired what voice Alameda would have after the survey has been conducted.

Mayor Johnson responded there are four member cities have voting representatives; the County has non-voting representatives; people in the County area are not part of the program.

Mr. Allen stated that property owners in the County of Alameda's unincorporated area do not receive any of the services; the JPA passes the budget for the program on an annual basis.

Councilmember deHaan inquired whether there was a way to satisfy Councilmember Daysog's concerns.

Councilmember Daysog stated that he would like to know what precipitated the need for the requested funding and what type of cuts have been made to deal with the current situation.

Mr. Allen stated that the \$10 fee has not increased since 1992; operating costs have increased; the fee was new and did not include cost escalation; \$19 million has been leveraged from the Department of Housing and Urban Development (HUD) funding into the four County Service Area (CSA) cities; last year was the first year that the program did not have a full year of HUD funding; six out of thirteen rounds of grants have been received from the Office of Healthy Homes and Lead Hazard Control; program income has been generated from no-interest loans to property owners; payment is made when the property is transferred; the loans need to be recycled for the same type of activity; services were carried for three years on program income; six people were laid off last year because all program income was used; efforts are being made to identify whether there is a mechanism to correct the fact that there has not been an increase in base funding since 1992; the budget has been reduced from \$5 million to \$2.5 million over three years; audits are performed every year; the program has won National awards.

Councilmember Daysog stated that the loss of HUD funding has dropped the annual budget by \$3 million; the policy question is whether the residents should pick up the loss of the HUD funding.

Mr. Allen stated that the policy question is whether or not property owners should have a say in whether they value the service enough to increase the fee; questioned how the level of service can be maintained when the service has exceeded \$10 per year.

Mayor Johnson inquired whether programs that have been funded through HUD could not be funded because of funding source limitations.

Mr. Allen responded yes and no; the program cuts from HUD took place in one year; a \$3 million HUD grant was received the next year; the CSA fee is restricted to property owner services; HUD dollars are used for project remediation and tenant education; State funding is received from the Department of Health Services for case management of lead poisoned children; one fund does not fund other categories.

Mayor Johnson inquired whether the increase in the CSA fee would pay for more assessments, not remediation and health treatment; whether there would be a problem in bringing the matter back in January, to which Mr. Allen responded in the affirmative to both

questions.

Councilmember Daysog stated that he understands the argument that the 2005 \$10 fee does not buy the same services as in 1992 and that there were some shifts in HUD priorities resulting in loss of dollars; taxes are an overwhelming concern; he is not convinced that there is a strong argument for residents backfilling the shortfall instead of the Board making cuts that others make when funding is lost.

Mr. Allen stated the survey would ask the people whether they feel the service is valuable enough to consider placing an increase on the ballot; the survey is to test the waters and see if people feel the service is worth the contribution; every other government has raised fees ssince 1992.

Councilmember Matarrese stated the request is whether the City should put \$5,000 into asking a question to determine whether or not increasing the assessment fee should go on the ballot; the program is valuable enough to invest \$5,000.

Councilmember Matarrese moved approval of allocating \$5,000 for the survey with the conditions that the JPA Board use an open bidding process [or provide an explanation if there are impediments in using the bid process], and that the data and final report be a matter of public record.

Vice Mayor Gilmore seconded the motion.

Under discussion, Councilmember deHaan inquired whether the open bidding process would cause problems, to which Mr. Allen responded in the affirmative.

Mayor Johnson stated that the Contract has not come to the Board; the process has been very different; there would be no problem under normal circumstances but there could be a problem in this instance.

Vice Mayor Gilmore inquired whether a written explanation could be provided regarding why the Board could not go out for an open public bid before the Contract goes to the Board for approval.

Mayor Johnson responded that the Board has not been involved in any process to select a consultant.

Vice Mayor Gilmore stated her preference would be to request that the process go out to open bid if the Board has not gone through a process to either select a contractor or approve a Contract; she

would also like to know if there is some impediment in doing so.

Councilmember Matarrese concurred with Vice Mayor Gilmore; stated \$5,000 is a small amount to pay to ask the question.

Councilmember Matarrese amended the motion to include Vice Mayor Gilmore's caveat [that the process go to bid or the JPA provide a written explanation if there is an impediment with using the open bid process].

Councilmember deHaan stated the Council is safeguarding themselves with the financial review process.

On the call for the question, the motion carried by the following voice vote - Ayes: Councilmembers deHaan, Gilmore, Matarrese, and Mayor Johnson - 4. Noes: Councilmember Daysog - 1.

ORAL COMMUNICATIONS, NON-AGENDA

None.

COUNCIL COMMUNICATIONS

(05-) Councilmember deHaan stated that the opening of the new Alameda Towne Centre Safeway store was very successful; sale estimates are between \$40-50 million for the proposed Target; Target states that 85% of all transactions would be coming from Alameda which is the leakage the City is trying to capture; close to a million \$38 to \$50 transactions would need to occur per year to achieve \$40 million in sales; Target states that the store is a one-stop shop; transportation and corridor impacts could be derived from the one-stop shop concept; past studies indicate only 65% of the transactions would be recaptured; Alamedans would need to make over 900,000 transactions per year which means that every household would have approximately 30 to 31 transactions per year; questioned whether said number of transactions is reasonable; stated a consultant was used in the past; everyone needs to understand the dynamics of what is happening; Target knows exactly what is happening but does not always provide information to the public; an independent consultant is needed to establish some of the facts and figures; every household in Alameda would have to spend close to \$1200 per year for a 85% recovery; the money would not be new money but would be drawn from elsewhere.

Mayor Johnson stated that figures show that Alameda residents spend millions of dollars at Target; new money would be residents spending millions of dollars in Alameda rather than elsewhere if the project goes forward.

Councilmember deHaan stated that \$4.3 to \$5.6 million is spent at Target stores; the community is questioning the impacts; the Council needs to ensure that the community's concerns and questions are answered with an impartial consultant.

Mayor Johnson stated the matter would need to be agendized in order for Council to give direction.

The City Manager stated that the matter would be brought back to Council in terms of an analysis and could be placed on an agenda if Council action is needed.

Councilmember Daysog stated multiplying 900,000 trips against the \$50 transaction comes within the envelope that Target expects in terms of store sales; the Board of Equalization's website provides a breakdown on the typical per capita for sales of general merchandise, which is \$1200.

(05-____) Mayor Johnson stated that a lot has been accomplished in the past year; wished everyone a happy holiday and happy New Year.

ADJOURNMENT

There being no further business, Mayor Johnson adjourned the Regular Meeting at 9:10 p.m.

Respectfully submitted,

Lara Weisiger
City Clerk

The agenda for this meeting was posted in accordance with the Brown Act.

December 29, 2005

Honorable Mayor and Councilmembers:

This is to certify that the claims listed on the check register and shown below have been approved by the proper officials and, in my opinion, represent fair and just charges against the City in accordance with their respective amounts as indicated thereon.

<u>Check Numbers</u>	<u>Amount</u>
143682 - 144083	2,222,981.85
EFT 161	546,020.00
EFT 162	122,222.28
EFT 163	25,610.00
EFT 164	7,600.00

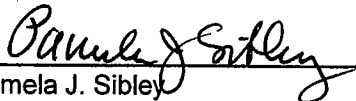
Void Checks:

143514	(16,606.20)
141996	(569.12)
143084	(1,000.00)
139809	(1,370.00)
118974	(45.25)
118147	(87.75)
118318	(64.95)
141539	(14.98)

GRAND TOTAL

2,904,675.88

Respectfully submitted,


Pamela J. Sibley

CITY OF ALAMEDA

MEMORANDUM

Date: December 19, 2005

To: Honorable Mayor and
Councilmembers

From: Debra Kurita
City Manager

Re: Recommendation to Accept the Work of Golden Bay Construction for the Webster Renaissance Project, No. P.W. 07-02-07

BACKGROUND

On September 7, 2004, the City of Alameda awarded a construction contract in the amount of \$2,086,410 to Golden Bay Construction for the Webster Renaissance Project. The project constructed sidewalk and curb extensions for transit and pedestrian plazas, and installed streetlights, street trees, landscaping and irrigation, street furnishings, storm drainage facilities, and underground utility conduits on Webster Street from Pacific Avenue to Central Avenue.

DISCUSSION

During the construction of the project, City Council approved three amendments to the contract to replace the full width of the sidewalks for the length of the project (\$135,000), construct additional AP&T facilities as part of the sidewalk replacement (\$42,000) and install six bus shelters (\$50,000). The amended contract amount was for a total of \$2,313,410. The Webster Renaissance Project has been completed in accordance with the Plans and Specifications and is acceptable to the Public Works Department. The final project cost is \$2,302,362.03.

BUDGET CONSIDERATION/FINANCIAL IMPACT

The work is funded under CIP# 00-15, with funds available from a Metropolitan Transportation Commission (MTC) grant, and Redevelopment, Alameda Power & Telecom (AP&T), Urban Runoff and Measure B funds.

MUNICIPAL CODE/POLICY DOCUMENT CROSS REFERENCE

This action does not affect the Municipal Code.

Report 4-C
1-3-06

Honorable Mayor and
Councilmembers

Page 2
December 19, 2005

RECOMMENDATION

It is recommended that the City Council Accept the Work of Golden Bay Construction for the Webster Renaissance Project, No. P.W. 07-02-07.

Respectfully submitted,



Matthew T. Naclerio
Public Works Director

MTN:gc

Cc: Valerie Fong, AP&T
Nanette Banks, DSD
Measure B Watchdog Committee

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CITY OF ALAMEDA MEMORANDUM

Date: December 20, 2005

To: Honorable Mayor and
Councilmembers

From: Debra Kurita
City Manager

Re: Recommendation to Approve an Increase for the Construction Contract with Ghilotti Brothers Inc., by the Amount of \$45,000 Using Alameda Power & Telecom Funds for Park Street Streetscape and Town Center Project, No. P.W. 10-02-13

BACKGROUND

On February 15, 2005, the City Council awarded a construction contract to Ghilotti Brothers, Inc. in the amount of \$2,110,000 for the Park Street Streetscape and Town Center Project, No. P.W. 10-02-13. The project is funded through Metropolitan Transportation Commission (MTC) grants and Redevelopment, Alameda Power & Telecom (AP&T), and Urban Runoff funds. On September 20, 2005, the construction contract was amended to resurface the full width of the street, construct additional sidewalk, and increase the street light foundation depth. The revised contract amount was for \$2,230,000.

DISCUSSION

During construction, AP&T required additional work to be performed by the contractor. This included replacing more utility and communication boxes and rerouting and increasing the length of the joint trench to avoid utility conflicts. The cost for this additional work is estimated to be \$45,000. AP&T has already allocated the funds for the project; however, the construction contract needs to be amended to reflect the additional work. The new amended contract amount would \$2,275,000.

BUDGET CONSIDERATION/FINANCIAL IMPACT

AP&T will fund this additional work and has allocated sufficient funds for their portion of the entire project.

MUNICIPAL CODE/POLICY DOCUMENT CROSS REFERENCE

This action does not affect the Municipal Code.

**Report 4-D
1-3-06**

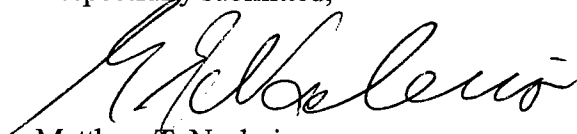
Honorable Mayor and
Councilmembers

Page 2
December 20, 2005

RECOMMENDATION

It is recommended that the City Council approve an increase to the construction contract with Ghilotti Brothers, Inc., by the amount of \$45,000 using Alameda Power & Telecom funds for Park Street, No. P.W. 10-02-13.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'M. Naclerio', written over a horizontal line.

Matthew T. Naclerio
Public Works Director

MTN:VF:gc

cc: Carrie Dole, Finance

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CITY OF ALAMEDA RESOLUTION NO. ____

COMMENDING COMMUNITY DEVELOPMENT MANAGER
CAROL BEAVER
FOR HER CONTRIBUTIONS TO THE CITY OF ALAMEDA

THE COUNCIL OF THE CITY OF ALAMEDA extends its appreciation for the years of service faithfully and cheerfully rendered by CAROL BEAVER for the City of Alameda; and

WHEREAS, CAROL BEAVER's career with the City of Alameda spanned from October 23, 1979, until present; and

WHEREAS, CAROL BEAVER has made significant contributions to the City of Alameda. Of particular note, Carol has:

- Worked tirelessly to forge positive relationships in the community and by her hard work, has helped create what has become a vital network for the delivery of social services in Alameda;
- Provided the vision, leadership and guidance to the Community Programs and Housing Division to implement a variety of programs and projects serving the needs of the community;
- Improved Alameda's parks, facilities, social services and low-income housing stock through her management of over \$25 million in federal Community Development Block Grant funds;
- Championed the needs of children and youth in Alameda by establishing the Alameda Collaborative for Children, Youth and Families and the Smart Healthy Babies Program;
- Supported the Social Services Human Relations Board and helped create the Alamedans Together Against Hate, Child Care and Sister City workgroups;
- Volunteered her services to the community in numerous ways, including serving on the Library Building Team and introducing both young and old to the ancient Chinese sport of Dragon Boating; and

WHEREAS, CAROL BEAVER, upon retirement, plans to continue her involvement in the Alameda community, travel and undertake all the projects she never had time for before; and

WHEREAS, on February 10, 2006, CAROL BEAVER will officially retire from her position as Community Development Manager for the City of Alameda.

NOW, THEREFORE, BE IT RESOLVED that the Council of the City of Alameda does hereby congratulate CAROL BEAVER for her outstanding achievement in her service to the City of Alameda and to the profession of Community Development.

* * * * *

Mayor Beverly Johnson

Vice Mayor Marie Gilmore

Councilmember Tony Daysog



Councilmember Doug deHaan

Councilmember Frank Matarrese

Resolution # 5-A
1-03-06

Approved as to Form

Carol R. Lora
CITY ATTORNEY

CITY OF ALAMEDA
MEMORANDUM

To: The Honorable Mayor
and Members of the City Council

From: Debra Kurita
City Manager

Date: December 21, 2005

Re: Public Hearing Regarding Amendment No. 1 to FY 2005-06 CDBG Action
Plan, Approving Reallocation of Funds and Authorizing City Manager to
Execute Related Agreements with Subgrantees

Background

Community Development Block Grant (CDBG) funds from the federal Department of Housing and Urban Development (HUD) finance programs and activities that benefit low- and moderate-income persons and help prevent or eliminate slums and blight. In April 2005 the City Council adopted the 2005/06 CDBG Action Plan, which describes specific objectives and uses of CDBG funds during that period. Through a combination of loan repayments and unexpended prior year funds, additional resources are available for use in the current fiscal year. All citizen participation requirements have been met. Following Council action, these funds can be put to immediate use.

Discussion/Analysis

Amendment No. 1 (Attachment A) highlights the proposed changes to the FY 2005-06 Action Plan, which are explained below.

Public Facilities and Improvements: The Alameda Food Bank is proposed to receive \$130,000 to acquire and install a new modular unit at the current location on Constitution at Thau Way. The existing unit has been in place for 14 years and is reaching the end of its useful life. The agreement with the Food Bank will require them to relocate the modular unit at such time as the City requests.

Due to cost increases, an additional \$25,000 is needed to complete the acquisition of a modular unit to house the Community One Stop Career Center on the COA campus.

The Woodstock to Webster Neighborhood Improvement Project will gain \$360,122, bringing the current year's funding to \$457,090. This amount, combined with prior year allocations, brings the total to \$850,000. Funding will cover Phase I improvements, including infill streetlights and tree planting, sidewalk replacement, trash receptacles and bus shelters.

Re: Public Hearing 5-B

Public Services: An additional \$18,265 in public service authority is available and is proposed for the Red Cross to augment their direct assistance fund. Terminations at the Harbor Island Apartments last year placed extraordinary demands on the Red Cross' fund and the additional dollars will help to replenish funding to meet a range of incidental and short-term needs. Direct assistance typically includes short-term rental assistance, help with relocation costs, energy assistance and emergency transportation, food and personal supplies. The bulk of the additional funds will be reserved for energy assistance to low-income households that will be severely impacted by increased energy costs predicted for the winter months.

Small Business Assistance: Unexpended funds (\$2,065) are being moved from this completed project to other eligible activities.

Rehabilitation: Additional funds (\$149,995) will be placed in the Substantial Rehabilitation revolving loan fund to help private property owners reclaim or create new affordable rental units.

Program Administration: Additional funds (\$5,996) will help the City further its fair housing goals through increased public education and technical assistance. Funding to the County's Homeless Continuum of Care will be reduced based on actual costs for City's participation.

Environmental Review

CEQA and/or federal environmental reviews will be conducted on a project-by-project basis prior to execution of related agreements.

Fiscal Impact

There is no impact on the General Fund. With CDBG funds, the City is able to provide a higher level of service and improvements to its low- and moderate-income residents and neighborhoods. Adopting Amendment No. 1 to the FY 2005/06 Action Plan will allocate \$565,506 in Entitlement funds and \$123,832 in Program Income for a total of \$689,338.

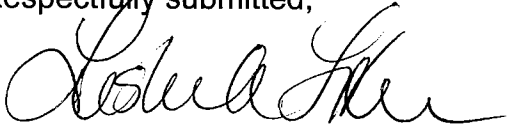
Other Considerations

At the City Council's request, the SSHRB reviewed staff's public service recommendation and provided the attached comments (Attachment B). This is the only comment received thus far in the 30-day public review period, which concludes with the public hearing before Council on January 3, 2006.

Recommendation

It is recommended that the City Council receive citizens' comments in a public hearing and then, by motion, adopt Amendment No. 1 to the FY 2005-06 CDBG Action Plan and authorize the City Manager to negotiate and execute related agreements with subgrantees.

Respectfully submitted,



Leslie A. Little
Development Services Director



By: Carol Beaver
Community Development Manager

CB:tw:sb

Attachments

cc: Social Service Human Relations Board
FY 2005-06 CDBG Subgrantees

ANNOUNCING A PUBLIC HEARING AND ENCOURAGING PUBLIC INPUT REGARDING AMENDMENT NO. 1 TO ALAMEDA'S FY 2005-06 COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

The City of Alameda (City) is an Entitlement City in the U.S. Department of Housing and Urban Development's (HUD) Community Development Block Grant (CDBG) Program. On January 3, 2006, the City Council will consider amending the FY 2005-06 Action Plan by allocating or reallocating \$565,506 in Entitlement funds and \$123,832 in Program Income, for a total of \$689,338. Proposed uses of all funds are summarized below.

Activity & Description Implementing Agency	LOCATION/ ELIGIBILITY	OUT- COMES*	CDBG FUNDING
PUBLIC FACILITIES AND IMPROVEMENTS			
<u>Alameda Food Bank Modular Unit</u> Acquisition and installation of modular unit to house emergency food distribution. Alameda Food Bank	Community-wide 570.201(c) 03	1 facility	\$130,000
<u>One Stop Career Center Modular Unit</u> Acquisition and installation of modular unit to house One-Stop Career Center College of Alameda	Community-wide 570.201(c) 03	1 facility	\$25,000
<u>West Alameda Neighborhood Improvements</u> Install and/or construct public improvements for area bounded by Webster / Lincoln / Main / Appezzato City Development Services Department	Census Tract 4276 570.201(c) 570.208(a)(1) 03	1 project	\$96,968 \$457,090
PUBLIC SERVICES			
<u>Alameda Continuum of Community Emergency and Social Services (A.C.C.E.S.S)</u> Case management, referrals, and direct services for individuals and families at risk of homelessness Alameda Red Cross	451 Stardust Place 570.201(e) 570.208(a)(2) 03T	1,000 households	\$64,896 \$83,161
SMALL BUSINESS ASSISTANCE			
<u>Microenterprise Assistance</u> Financial assistance for low-income entrepreneurs City Development Services Department	Community-wide 570.201(o) 570.208(a)(2) 18C	1-3 businesses	\$6,000 \$3,935
REHABILITATION			
<u>Substantial Rehabilitation</u> Financial and technical assistance to restore and/or create affordable rental units in existing vacant or underutilized structures City Development Services Department	Community-wide 570.202 570.208(a)(3) 14A	2-4 units	\$229,596 \$379,551
PROGRAM ADMINISTRATION			
<u>Fair Housing Services</u> Fair housing education; housing discrimination counseling and testing Sentinel Fair Housing	Community-wide 570.206 21D	25 households, 25 landlords	\$12,500 \$18,496

ATTACHMENT A

* Projected annual outcomes also reflect prior years' CDBG funding for some activities.

** Program Delivery also supports activities funded with prior years' CDBG funds.

<u>Activity & Description</u> Implementing Agency	LOCATION/ ELIGIBILITY	OUT- COMES*	CDBG FUNDING
<u>Homeless Continuum of Care Implementation of Homeless Management Information System and development of funding resources for Alameda and other County homeless providers</u> Alameda County Homeless Continuum of Care	Community-wide 570.206 21A	Enhanced Federal/State homeless resources	\$10,000 \$7,345
TOTAL ALLOCATED/REALLOCATED			\$689,338

AVAILABLE FOR PUBLIC REVIEW

Beginning Friday, December 2, 2005, the proposed Amendment No. 1 to the FY 2005-06 Action Plan will be available for public review from 8:30 a.m. to 5:00 p.m. Monday through Friday at the Development Services Department, located at 950 W. Mall Square, and at the City Clerk's office in City Hall, located at 2263 Santa Clara Avenue, and at all branches of the City's Library. All information may also be accessed on the City's website at www.ci.alameda.ca.us.

PUBLIC COMMENT IS ENCOURAGED AND INVITED

The public is encouraged and invited to participate in the CDBG process and to comment on the housing and community development needs of lower-income residents and neighborhoods, orally or in writing, according to the schedule below:

1/2/06 **Deadline for written comments to Development Services Department, 5:00 p.m.**
1/3/06 **City Council Hearing, 7:30 p.m., City Hall Council Chambers**

ADDITIONAL INFORMATION ABOUT THE CDBG PROGRAM IS AVAILABLE

For more information about the City's Five Year and Annual CDBG Plans and Performance please contact:
City of Alameda Development Services Department
City Hall West, 950 West Mall Square, Second Floor, Alameda CA 94501
Telephone: 749-5812 (voice) or 522-7538 (TDD); Fax: 749-5808 E-mail: twright@ci.alameda.ca.us

*Published in Alameda Journal
December 2, 2005*

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12/28/2005

* Projected annual outcomes also reflect prior years' CDBG funding for some activities.

** Program Delivery also supports activities funded with prior years' CDBG funds.

CITY OF ALAMEDA
MEMORANDUM

To: The Honorable Mayor
and Members of the City Council

From: Rob Bonta, President
Social Service Human Relations Board

Date: December 20, 2005

Re: Proposed Amendment No. 1 to the FY 2005-06 CDBG Action Plan

Background

The Social Service Human Relations Board (SSHRB) advises the City Council regarding social service and human relations needs in Alameda. In 1997, the Council asked the SSHRB to participate in the Community Development Block Grant (CDBG) process by reviewing and commenting on the public service needs and funding recommendations. In April 2005, the SSHRB reviewed staff recommendations for 2005-06 CDBG public services funding and recommended that any additional funds be made available to safety net services such as the Family Violence Law Center, the Food Bank, Midway Shelter and the Red Cross.

Discussion/Analysis

At our December 2005 meeting, we reviewed a proposed amendment to the 2005-06 public service funding. The amendment would place additional public service dollars in the Red Cross' direct assistance fund, primarily to help low-income families and seniors who will be severely impacted by increased energy costs this winter. The Board noted that last year's terminations at the Harbor Island Apartments had placed great demands on the Red Cross' direct assistance fund and that the anticipated increase in energy costs was unknown when the Board made its original recommendation. We understand that clients of other agencies can be assisted through the Red Cross fund, and we also noted that the proposed amendment included an allocation to help the Food Bank purchase a new facility. Based on all of the above, the Board voted to support the public services recommendation as stated in Amendment No. 1.

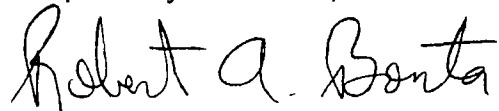
ATTACHMENT B

Dedicated to Excellence, Committed to Service

Recommendation

The SSHRB recommends that the City Council approve Amendment No. 1 to the FY 2005-06 CDBG Action Plan.

Respectfully submitted,

A handwritten signature in black ink that reads "Robert A. Bonta". The signature is fluid and cursive, with the first name "Robert" and last name "Bonta" being clearly legible, and "A." as a small middle initial.

Robert Bonta, President
Social Service Human Relations Board

RB:cb

cc: Social Service Human Relations Board
Debbie Potter, Base Reuse and Community Programs Manager

Dedicated to Excellence, Committed to Service

CURRENT APPLICATIONS
RECREATION AND PARK COMMISSION
ONE VACANCY
Partial Term Expiring 9/30/2009

Bill L. Bocascci

Kathryn F. Boyle

Michael B. Cooper

Michael Cosentino

John F. Curliano

James R. Currier

Lauren R. Eisele

Linda F. Gilchrist

Harry L. Hartman

Lee A. Kaplan

Geoffrey M. Lee

Jessica Lindsey

Scott A. McKay

Tim R. Marr

Lissa V. Merit

Jessica S. Niland

Cookie Robles-Wong

Ruben Tilos

Gail A. Wetzork

CURRENT APPLICATIONS
SOCIAL SERVICE HUMAN RELATIONS BOARD
ONE VACANCY
Partial Term Expiring 06/30/2007

Dora J. Dome

Reginald L. James

Linda J. Marcello

Dr. Jerome B. Healy